

# ***NONRESIDENT ALIEN POSITION***

Last revised: 9/20/2009



***“There is nothing so powerful as truth, and often nothing so strange [foreign or alien].”  
[Daniel Webster]***

## TABLE OF CONTENTS

|           |   |            |
|-----------|---|------------|
| <b>1</b>  | <b>Introduction .....</b>   | <b>28</b>  |
| <b>2</b>  | <b>Biblical Basis for the Nonresident Alien Position (NRAP) .....</b>   | <b>31</b>  |
| <b>3</b>  | <b>“Nonresident Alien” Defined And Explained.....</b>   | <b>34</b>  |
| <b>4</b>  | <b>The Three Definitions of “United States” .....</b>   | <b>43</b>  |
| <b>5</b>  | <b>Two Taxing Jurisdictions under the I.R.C.: “National” v. “Federal” .....</b>   | <b>51</b>  |
| <b>6</b>  | <b>Why states of the Union are “Foreign Countries” and “foreign states” with respect to federal jurisdiction.....</b>                                   | <b>57</b>  |
| <b>7</b>  | <b>Why all people domiciled in states of the Union are “nonresident aliens” under Internal Revenue Code, Subtitle A .....</b>                           | <b>60</b>  |
| <b>8</b>  | <b>Domicile: You aren’t subject to civil law without your explicit voluntary consent .....</b>  | <b>66</b>  |
| <b>9</b>  | <b>Citizenship, Domicile, and Tax Status Options .....</b>  | <b>72</b>  |
| 9.1       | Statutory v. constitutional contexts.....   | 72         |
| 9.2       | Citizenship status v. tax status .....  | 73         |
| 9.3       | Effect of Domicile on Citizenship Status.....   | 76         |
| 9.4       | Meaning of Geographical “Words of Art”.....   | 77         |
| 9.5       | Citizenship and Domicile Options and Relationships.....   | 78         |
| 9.6       | Statutory Rules for Converting Between Various Domicile and Citizenship Options Within Federal Law.....   | 79         |
| 9.7       | Effect of Federal Franchises and Offices Upon Your Citizenship and Standing in Court.....   | 81         |
| 9.8       | Federal Statutory Citizenship Statuses Diagram.....   | 85         |
| <b>10</b> | <b>“Sovereign”=“Foreign” .....</b>  | <b>87</b>  |
| <b>11</b> | <b>You’re not the “individual” mentioned on the IRS Form 1040 .....</b>   | <b>98</b>  |
| <b>12</b> | <b>Federalism.....</b>  | <b>102</b> |
| <b>13</b> | <b>Sovereign Immunity .....</b>   | <b>108</b> |
| <b>14</b> | <b>Tax Liability and Responsibilities of Nonresident Aliens .....</b>   | <b>119</b> |
| <b>15</b> | <b>Taxable “income” of Nonresident Aliens .....</b>   | <b>131</b> |
| 15.1      | What is statutory “income”? .....   | 131        |
| 15.2      | 26 U.S.C. §871(a): Earnings not connected to the “trade or business” franchise .....  | 132        |
| <b>16</b> | <b>How “Nonresident Alien Nontaxpayers” are deceived or compelled into becoming “Taxpayers” .....</b>   | <b>140</b> |
| 16.1      | Deliberately Confusing “Nonresident Aliens” with “Aliens” .....   | 140        |
| 16.2      | Not offering an option on the W-8BEN form to accurately describe the status of non-citizen nationals who are “nonresidents” but not “individuals” ..... | 150        |
| 16.3      | Excluding “Not subject” from Government Forms and offering only “Exempt” .....  | 152        |
| 16.4      | “Nonresident alien individuals” v. “Nonresident alien NONindividuals” .....   | 158        |
| 16.5      | Illegally and FRAUDULENTLY Filing the WRONG return, the IRS 1040.....   | 160        |
| 16.6      | Making a lawful election on a government form to become a “resident” .....  | 161        |
| 16.7      | Jurat/Perjury statement on IRS Forms .....  | 168        |
| 16.8      | Federal Courts Refusing to recognize sovereignty of litigant.....   | 170        |
| 16.9      | Compelled Use of Taxpayer Identification Numbers (TINs) .....   | 172        |
| <b>17</b> | <b>Advantages of Being a Nonresident Alien.....</b>   | <b>174</b> |
| 17.1      | Nonresident aliens not engaged in a “trade or business” are not required to have an SSN or TIN.....   | 174        |
| 17.2      | Federal government cannot lawfully prosecute you for tax crimes .....   | 178        |
| 17.3      | IRS cannot file a lien against you .....  | 183        |
| 17.4      | Minimum amount in controversy is eliminated under 28 U.S.C. §1332(a) .....  | 184        |
| 17.5      | Protected from federal jurisdiction by the Minimum Contacts Doctrine .....  | 185        |
| 17.6      | Nonresident alien NON-individuals have no requirement to file tax returns.....  | 187        |
| <b>18</b> | <b>Tax Withholding and Reporting on Nonresident aliens .....</b>  | <b>188</b> |
| 18.1      | General constraints upon all withholding and reporting .....  | 188        |
| 18.2      | IRS propaganda on NRA withholding.....  | 189        |



|           |   |            |
|-----------|---|------------|
| 18.3      | Specific withholding requirements in the I.R.C.....   | 193        |
| 18.4      | Backup withholding.....   | 196        |
| <b>19</b> | <b>How to fill out tax withholding and reporting forms to properly reflect your status as a nonresident alien.....</b>                      | <b>199</b> |
| 19.1      | The TWO ways to become a “foreign person” .....   | 199        |
| 19.2      | Instructions for filling out IRS Form W-8BEN .....  | 201        |
| 19.3      | Affidavit of Citizenship, Domicile, and Tax Status.....   | 201        |
| 19.4      | Specifying your withholding and reporting when you start a new job or business relationship .....   | 201        |
| 19.5      | Starting, stopping, or changing your withholding as a nonresident alien AFTER you start your job or business relationship.....              | 202        |
| 19.6      | How “U.S. Person” spouses of nonresident aliens must fill out IRS Form W-4 Withholding Forms .....  | 202        |
| 19.7      | Further reading and research.....   | 202        |
| <b>20</b> | <b>How To Correct Government Records to Reflect your True Status as a Nonresident Alien.....</b>  | <b>203</b> |
| <b>21</b> | <b>Overcoming deliberate roadblocks to using the Nonresident Alien Position .....</b>   | <b>208</b> |
| 21.1      | The deception that scares people away from claiming nonresident alien status .....  | 208        |
| 21.2      | Tricks Congress Pulled to Undermine the Nonresident Alien Position .....  | 209        |
| 21.3      | How to Avoid Jeopardizing Your Nonresident Citizen or Nonresident Alien Status .....  | 211        |
| 21.4      | “Will I Lose My Military Security Clearance or Passport or Social Security Benefits by Becoming a Nonresident Alien or a ‘national’?” ..... | 212        |
| <b>22</b> | <b>How people are compelled to become “residents” or prevented from receiving all of the benefits of being a “nonresident” .....</b>        | <b>215</b> |
| 22.1      | Why it is UNLAWFUL for a non-citizen national to become a “resident alien” .....  | 216        |
| 22.2      | How the tax code compels choice of domicile .....   | 218        |
| 22.3      | How the Legal Encyclopedia compels choice of domicile .....   | 220        |
| 22.4      | How governments compel choice of domicile: Government ID.....   | 221        |
| 22.5      | How employers and financial institutions compel choice of domicile .....  | 228        |
| <b>23</b> | <b>Rebutted objections to the Nonresident Alien Position .....</b>  | <b>230</b> |
| 23.1      | IRS Objections.....   | 230        |
| 23.1.1    | Word “includes” .....   | 230        |
| 23.1.2    | Deception in IRS Publication 519 relating to definition of “United States” .....  | 233        |
| 23.1.3    | You can’t be a “nonresident alien” without also being an “individual” based on 26 CFR §1.1441-1 .....                                       | 235        |
| 23.2      | Tax and accounting profession objections.....   | 238        |
| 23.3      | Objections of Friends.....  | 241        |
| 23.4      | Legal Profession Objections: Dual sovereignty.....  | 243        |
| 23.5      | Federal Court Objections.....   | 253        |
| 23.5.1    | Power to tax derives from Sixteenth Amendment .....   | 254        |
| 23.5.2    | Fourteenth Amendment controls .....   | 256        |
| 23.5.3    | I.R.C. Imposes a Duty on Individuals to File on Earnings Above the Exemption Amount.....  | 262        |
| 23.5.4    | I.R.C. Has No Application Outside the District of Columbia.....   | 263        |
| 23.5.5    | I.R.C. Definition of “United States” includes the “States and the District of Columbia” .....   | 265        |
| 23.5.6    | I.R.C. was enacted pursuant to the Sixteenth Amendment .....  | 266        |
| 23.5.7    | Taxing power of Congress extends to all the people of all the States.....   | 267        |
| 23.5.8    | Ambort v. United States .....   | 274        |
| 23.5.9    | Treasury Decisions 2313 in 1916 Shows Nonresident Aliens being “Taxpayers” .....  | 278        |
| 23.6      | Summary of methods for avoiding the pitfalls of objections to the NRA Position.....   | 280        |
| <b>24</b> | <b>Tax Returns of Nonresident Alien NONtaxpayers.....</b>   | <b>282</b> |
| 24.1      | Options for filling out return forms .....  | 282        |
| 24.2      | Joint Returns of Nonresident Alien NON-individuals married to “U.S. person” spouses .....   | 284        |
| 24.3      | Answers to Questions on IRS Form 1040NR Consistent with this pamphlet.....  | 285        |
| 24.4      | Resources useful to Nonresident aliens to defend themselves against Willful Failure to File Criminal Prosecution under I.R.C. 7203.....     | 288        |
| <b>25</b> | <b>Other proponents of the Nonresident Alien Position.....</b>  | <b>288</b> |
| 25.1      | Lynn Meredith .....   | 289        |

|           |  |            |
|-----------|--|------------|
| 25.2      | Mitch Modeleski: SupremeLaw website .....  | 289        |
| 25.3      | Paul Leinthall.....  | 289        |
| <b>26</b> | <b>The secret to remaining free, sovereign, and foreign in respect to a corrupted government .....</b> | <b>290</b> |
| 26.1      | Introduction .....   | 290        |
| 26.2      | Summary of Steps.....  | 293        |
| <b>27</b> | <b>Conclusions and Summary.....</b>  | <b>304</b> |
| <b>28</b> | <b>Resources for Further Study and Rebuttal .....</b>  | <b>312</b> |
| <b>29</b> | <b>Questions that Readers, Grand Jurors, and Petit Jurors Should be Asking the Government .....</b>    | <b>312</b> |

---

## LIST OF TABLES

|           |  |     |
|-----------|--|-----|
| Table 1:  | “Citizenship status” vs. “Income tax status” .....   | 35  |
| Table 2:  | Meanings assigned to “United States” by the U.S. Supreme Court in <i>Hooven &amp; Allison v. Evatt</i> ..... | 44  |
| Table 3:  | Two jurisdictions within the I.R.C. ....   | 54  |
| Table 4:  | “Citizenship status” v. “Income tax status”.....   | 74  |
| Table 5:  | Affect of domicile on citizenship status .....   | 76  |
| Table 6:  | Meaning of geographical “words of art” .....   | 77  |
| Table 7:  | Rules for Sovereign Relations/Government .....   | 92  |
| Table 8:  | Tax Liability and Responsibilities of Nonresident Alien .....  | 121 |
| Table 9:  | “Citizenship status” vs. “Income tax status” .....   | 148 |
| Table 10: | Methods of becoming a “foreign person” .....   | 199 |
| Table 11: | Apportionment of various taxes between state and federal jurisdictions .....                                 | 248 |
| Table 12: | Citizenship summary .....  | 258 |
| Table 13: | Affect of domicile on citizenship status .....   | 259 |
| Table 14: | Describing your citizenship and status on government forms .....   | 260 |

## TABLE OF FIGURES

|           |  |    |
|-----------|--|----|
| Figure 1: | Citizenship and domicile options and relationships ..... | 78 |
| Figure 2: | Federal Statutory Citizenship Statuses Diagram .....     | 85 |
| Figure 3: | Hierarchy of sovereignty.....                            | 88 |

## TABLE OF AUTHORITIES

### Constitutional Provisions

|  |                                |
|--|--------------------------------|
| 14th Amend., Sect. 1 .....                             | 35, 74, 148                    |
| Alabama Constitution of 1901, Art. I, Section 14 ..... | 107                            |
| Art. 1, § 2, cl. 3, § 9, cl. 4.....                    | 101                            |
| Art. 1, Sec. 8.....                                    | 58, 245, 270                   |
| Art. III .....   | 302                            |
| Article 1, Section 10 .....                            | 158, 168, 215, 236             |
| Article 1, Section 2, Clause 2 .....                   | 65                             |
| Article 1, Section 3, Clause 3 .....                   | 65                             |
| Article 1, Section 8, Clause 1 .....                   | 54, 58                         |
| Article 1, Section 8, Clause 17 .....                  | 51, 54, 55, 207, 313           |
| Article 1, Section 8, Clause 3 .....                   | 29, 54, 58, 119, 244, 250, 318 |
| Article 1, Section 8, Clause 4 .....                   | 244                            |
| Article 1, Section 8, Clause 5 .....                   | 250, 318                       |



|   |   |
|---|---|
| Article 1, Section 8, Clause 6 .....                            | 29, 58  |
| Article 1, Section 8, Clause 7 .....                            | 29, 58, 250, 318  |
| Article 1, Section 8, Clauses 11-16 .....                       | 244   |
| Article 4, Section 2, Clause 2 .....                            | 318   |
| Article 4, Section 2, Clause 3 .....                            | 29, 58  |
| Article 4, Section 3, Clause 1 .....                            | 315   |
| Article II, Section 1, Clause 5 .....                           | 65  |
| Article III.....  | 184   |
| Bill of Rights .....  | 247, 248, 273, 313  |
| Const., Art. I, 8.....  | 59  |
| Constitution of the United States.....                          | 327   |
| Declaration of Independence.....                                | 217, 221, 307, 308  |
| Eleventh Amendment .....  | 107   |
| Eph. 2:19-22.....   | 31  |
| Federalist No. 45, pp. 292-293 (C. Rossiter ed. 1961) .....     | 256, 304  |
| Federalist Paper No. 39 .....                                   | 52  |
| Federalist Paper No. 45 (Jan. 1788) .....                       | 246, 272  |
| Federalist Paper No. 79 .....                                   | 64  |
| Fifth and Fourteenth Amendments.....                            | 275   |
| First Amendment.....  | 34, 69, 215, 219, 229, 236, 287, 299, 311   |
| Fourteenth Amendment.....                                       | 28, 43, 60, 68, 73, 80, 84, 97, 146, 162, 186, 207, 253, 256, 257, 258, 260, 266, 274, 276, 281 |
| Fourteenth Amendment, Section 1 .....                           | 275, 320  |
| Fourth Amendment .....  | 311   |
| Ninth and Tenth Amendment .....                                 | 296   |
| Sixteenth Amendment .....                                       | 84, 101, 246, 247, 253, 254, 256, 266, 272  |
| Tenth Amendment.....  | 103, 249, 273   |
| The Federalist No. 45, pp. 292-293 (C. Rossiter ed. 1961) ..... | 28, 59  |
| The Federalist No. 51, p. 323. (C. Rossiter ed. 1961) .....     | 50, 103, 305, 322   |
| Thirteenth Amendment.....                                       | 29, 34, 59, 158, 191, 216, 231, 296, 299  |
| Thomas Jefferson .....  | 308   |
| U.S. Constitution, Article 1, Section 8, Clause 17 .....        | 61  |
| United States Constitution.....                                 | 304, 313  |
| United States Constitution, Article 2, Section 2.....           | 179   |

## Statutes

|  |            |
|--|------------|
| 1 U.S.C. §204 .....                            | 274        |
| 11 U.S.C. §106(a).....                         | 109        |
| 12 Stat 432, sections 86-87.....               | 307        |
| 12 Stat. 432.....                              | 84         |
| 12 U.S.C. §1841(b) (1994 ed., Supp. III) ..... | 109        |
| 12 U.S.C. §90 .....                            | 173        |
| 15 Stat. 223-224 (1868).....                   | 206        |
| 15 U.S.C. §77c(a)(2) .....                     | 109        |
| 17 Stat. 401.....                              | 84         |
| 17 U.S.C. §511(a).....                         | 109        |
| 18 U.S.C. §1030 .....                          | 218        |
| 18 U.S.C. §112 .....                           | 97         |
| 18 U.S.C. §1201 .....                          | 55, 165    |
| 18 U.S.C. §13 .....                            | 248        |
| 18 U.S.C. §1512 .....                          | 300        |
| 18 U.S.C. §1581 .....                          | 29, 34, 59 |
| 18 U.S.C. §1589(3) .....                       | 29, 59     |
| 18 U.S.C. §201 .....                           | 218        |
| 18 U.S.C. §201(b)(3).....                      | 238        |

|  |   |
|--|---|
| 18 U.S.C. §208 .....   | 303   |
| 18 U.S.C. §211 .....   | 218   |
| 18 U.S.C. §241 .....   | 34, 209, 266  |
| 18 U.S.C. §242 .....   | 256   |
| 18 U.S.C. §247 .....   | 34  |
| 18 U.S.C. §287 .....   | 218   |
| 18 U.S.C. §3491 .....  | 183   |
| 18 U.S.C. §4001 .....  | 183   |
| 18 U.S.C. §911 .....   | 160, 161, 218   |
| 18 U.S.C. §912 .....   | 154, 155, 161, 218  |
| 19 Stat. 419.....  | 84  |
| 22 U.S.C.A. §211a .....  | 206   |
| 26 U.S.C. §§7206, 7207 .....                                       | 218   |
| 26 U.S.C. §§7701(a)(14) and 1313 .....                             | 298   |
| 26 U.S.C. §§7701(a)(9) and (a)(10) .....                           | 152   |
| 26 U.S.C. §§7701(a)(9) and (a)(10), 7701(a)(39), and 7408(d) ..... | 76, 259   |
| 26 U.S.C. §1(b) .....  | 208   |
| 26 U.S.C. §1313 .....  | 170   |
| 26 U.S.C. §1401 .....  | 298   |
| 26 U.S.C. §1402 .....  | 124   |
| 26 U.S.C. §1402(b) .....   | 131, 189, 195, 287  |
| 26 U.S.C. §162 .....   | 113, 131, 132, 134, 204, 311                                    |
| 26 U.S.C. §2105(a).....  | 137   |
| 26 U.S.C. §3121 .....  | 135, 231  |
| 26 U.S.C. §3121(e).....  | 54  |
| 26 U.S.C. §32(c )(1)(E).....                                       | 128   |
| 26 U.S.C. §3401 .....  | 325   |
| 26 U.S.C. §3401(a).....  | 136, 195, 261   |
| 26 U.S.C. §3401(a)(4).....   | 138   |
| 26 U.S.C. §3401(a)(6).....   | 131, 189, 190, 193, 287   |
| 26 U.S.C. §3401(c ).....   | 136, 137, 138, 242  |
| 26 U.S.C. §3402(f)(6).....   | 126   |
| 26 U.S.C. §3406 .....  | 189, 197  |
| 26 U.S.C. §3406(b) .....   | 197   |
| 26 U.S.C. §3406(g) .....   | 194   |
| 26 U.S.C. §414 (q)(8).....   | 127   |
| 26 U.S.C. §4612 .....  | 54, 231, 248  |
| 26 U.S.C. §6011(a).....  | 289   |
| 26 U.S.C. §6013(g) .....   | 127, 163, 264, 267, 325   |
| 26 U.S.C. §6013(g) and (a) .....                                   | 284   |
| 26 U.S.C. §6013(g) and (h) .....                                   | 35, 39, 41, 74, 79, 134, 139, 145, 148, 161, 173, 204, 216, 284 |
| 26 U.S.C. §6013(g)(1)(B).....                                      | 326   |
| 26 U.S.C. §6031(g) and (h) .....                                   | 284   |
| 26 U.S.C. §6041 .....  | 163, 167, 189, 196, 197   |
| 26 U.S.C. §6041(a).....  | 218   |
| 26 U.S.C. §6042 .....  | 197   |
| 26 U.S.C. §6042(b)(2)(A)(ii) .....                                 | 126   |
| 26 U.S.C. §6044 .....  | 197   |
| 26 U.S.C. §6049 .....  | 197   |
| 26 U.S.C. §6091 .....  | 219   |
| 26 U.S.C. §6091(b)(1)(B)(iv).....                                  | 125   |
| 26 U.S.C. §61 .....  | 261   |
| 26 U.S.C. §6109 .....  | 102   |
| 26 U.S.C. §6109(d) .....   | 173   |
| 26 U.S.C. §6331 .....  | 99  |
| 26 U.S.C. §643(b) .....  | 100, 101  |
| 26 U.S.C. §6671 .....  | 82  |



|  |   |
|--|---|
| 26 U.S.C. §6671(b) .....   | 82, 298   |
| 26 U.S.C. §684(b)(2) .....   | 129   |
| 26 U.S.C. §7001 .....  | 54  |
| 26 U.S.C. §7206 .....  | 161   |
| 26 U.S.C. §7206 and 7207 .....   | 189   |
| 26 U.S.C. §7207 .....  | 161   |
| 26 U.S.C. §7343 .....  | 82, 204, 298  |
| 26 U.S.C. §7405 .....  | 161   |
| 26 U.S.C. §7408(d) .....   | 76, 164, 166, 259, 264  |
| 26 U.S.C. §7433 .....  | 301   |
| 26 U.S.C. §7434 .....  | 189, 204  |
| 26 U.S.C. §7448(j)(1)(B)(vi) .....   | 218   |
| 26 U.S.C. §7601 .....  | 270, 317  |
| 26 U.S.C. §7621 .....  | 249, 270, 315, 316  |
| 26 U.S.C. §7701 .....  | 225, 242, 248, 306  |
| 26 U.S.C. §7701(a)(1) .....  | 298   |
| 26 U.S.C. §7701(a)(10) .....   | 265, 268  |
| 26 U.S.C. §7701(a)(14) .....   | 170, 276, 277   |
| 26 U.S.C. §7701(a)(16) .....   | 230, 299  |
| 26 U.S.C. §7701(a)(26) 30, 54, 63, 82, 91, 102, 152, 153, 156, 163, 175, 178, 183, 189, 191, 204, 209, 249, 262, 266, 273, 281, 298, 306, 311, 322   |   |
| 26 U.S.C. §7701(a)(30) .....   | 80, 115, 143, 146, 161, 162, 172, 174, 175, 178, 255, 259, 277, 298, 319, 325   |
| 26 U.S.C. §7701(a)(31) .....   | 154, 189, 195, 198, 287, 311  |
| 26 U.S.C. §7701(a)(39) .....   | 76, 80, 116, 146, 164, 166, 179, 259, 264, 277  |
| 26 U.S.C. §7701(a)(41) .....   | 173   |
| 26 U.S.C. §7701(a)(9) .....  | 54, 189, 230  |
| 26 U.S.C. §7701(a)(9) and (a)(10) . 29, 61, 64, 73, 76, 80, 113, 131, 140, 146, 151, 155, 160, 161, 194, 199, 204, 231, 235, 236, 250, 254, 259, 261, 262, 266, 286, 287, 313, 319, 320      |   |
| 26 U.S.C. §7701(b) .....   | 216, 217, 218   |
| 26 U.S.C. §7701(b) (1)(B) .....  | 236   |
| 26 U.S.C. §7701(b)(1)(A) .. 30, 35, 38, 41, 74, 76, 79, 92, 100, 115, 143, 145, 148, 162, 164, 176, 179, 189, 199, 204, 228, 234, 255, 258, 259, 266, 269, 282, 284, 286, 287, 298, 309, 325 |   |
| 26 U.S.C. §7701(b)(1)(B) .....   | 38, 41, 61, 74, 76, 79, 80, 90, 92, 115, 140, 145, 146, 148, 158, 162, 188, 189, 199, 204, 234, 235, 236, 255, 259, 279, 309, 326 |
| 26 U.S.C. §7701(b)(3) .....  | 234   |
| 26 U.S.C. §7701(b)(4) .....  | 92, 163, 264, 267   |
| 26 U.S.C. §7701(b)(4)(B) .....   | 41, 79, 145, 161, 204   |
| 26 U.S.C. §7701(c ) .....  | 91, 158, 200, 230, 231  |
| 26 U.S.C. §7805 .....  | 175   |
| 26 U.S.C. §7806 .....  | 237   |
| 26 U.S.C. §7806(b) .....   | 236   |
| 26 U.S.C. §861 .....   | 62, 209, 243  |
| 26 U.S.C. §861(a)(3)(C)(i) .....   | 131, 189, 190, 195, 287   |
| 26 U.S.C. §861(a)(8) .....   | 131, 204  |
| 26 U.S.C. §864(b)(1)(A) .....  | 131   |
| 26 U.S.C. §864(c )(3) .....  | 128, 132  |
| 26 U.S.C. §864(c)(2) .....   | 133   |
| 26 U.S.C. §871 .....   | 131, 189, 191, 198, 209, 242, 306, 320, 324   |
| 26 U.S.C. §871(a) .....  | 64, 131, 132, 134, 205, 208, 209, 242, 243, 306   |
| 26 U.S.C. §871(a)(1) .....   | 132, 133, 209   |
| 26 U.S.C. §871(a)(1)(A) .....  | 134   |
| 26 U.S.C. §871(a)(3) .....   | 131, 204  |
| 26 U.S.C. §871(b) .....  | 132, 205, 242, 306, 311   |
| 26 U.S.C. §871(c ) .....   | 182, 183  |
| 26 U.S.C. §871(d ) .....   | 182, 183  |
| 26 U.S.C. §871(d)(1) .....   | 128   |
| 26 U.S.C. §871(h) .....  | 133   |



|  |  |
|--|--|
| 26 U.S.C. §872(b) .....  | 131  |
| 26 U.S.C. §872(b)(3)(A) .....  | 126  |
| 26 U.S.C. §873 .....   | 131, 132   |
| 26 U.S.C. §873(a) .....  | 126  |
| 26 U.S.C. §873(b)(3) .....   | 126  |
| 26 U.S.C. §877 .....   | 37   |
| 26 U.S.C. §877(a) .....  | 142  |
| 26 U.S.C. §881(a) .....  | 133  |
| 26 U.S.C. §892(a)(1) .....   | 97   |
| 26 U.S.C. §897(a)(1)(A) .....  | 129  |
| 26 U.S.C. §911 .....   | 30, 36, 75, 76, 149, 151, 188, 204, 216, 219, 220, 259, 272, 306 |
| 26 U.S.C. §911(d)(3) .....   | 30, 220  |
| 26 U.S.C. §926(b) .....  | 128  |
| 26 U.S.C. 7701(a)(31) .....  | 237  |
| 26 U.S.C.A. s 4411 .....   | 135  |
| 28 U.S.C. §§1602-1611 .....  | 90   |
| 28 U.S.C. §§1605-1607 .....  | 184  |
| 28 U.S.C. §§754 and 959(a) .....   | 82   |
| 28 U.S.C. §1332(a) .....   | 174  |
| 28 U.S.C. §1332(c ) and (d) .....  | 165  |
| 28 U.S.C. §1332(c) and (d) .....   | 97   |
| 28 U.S.C. §1332(d) .....   | 97, 179, 184   |
| 28 U.S.C. §1332(e ) .....  | 50   |
| 28 U.S.C. §144 .....   | 303  |
| 28 U.S.C. §1602 .....  | 60   |
| 28 U.S.C. §1603(b) .....   | 97, 170  |
| 28 U.S.C. §1603(b)(3) .....  | 111, 165, 171, 185, 187, 324                                     |
| 28 U.S.C. §1605 .....  | 90, 171, 218, 303, 324   |
| 28 U.S.C. §1605(a) .....   | 282, 283   |
| 28 U.S.C. §1605(a)(2) .....  | 98, 115, 164, 187, 236, 279                                      |
| 28 U.S.C. §1605(b)(1) .....  | 111, 112, 119  |
| 28 U.S.C. §1605(b)(2) .....  | 111  |
| 28 U.S.C. §1605(b)(3) .....  | 111  |
| 28 U.S.C. §1605(b)(4) .....  | 112  |
| 28 U.S.C. §1605(b)(6) .....  | 112  |
| 28 U.S.C. §1746 .....  | 169  |
| 28 U.S.C. §1746(1) .....   | 169  |
| 28 U.S.C. §1746(2) .....   | 169  |
| 28 U.S.C. §1783 .....  | 183  |
| 28 U.S.C. §2201 .....  | 210, 211   |
| 28 U.S.C. §2201(a) .....   | 311  |
| 28 U.S.C. §297 .....   | 57, 261  |
| 28 U.S.C. §3002(15)(A) .....   | 44, 45, 47, 81, 102, 163, 164, 277, 301                          |
| 28 U.S.C. §455 .....   | 303  |
| 29 U.S.C §652(5) .....   | 109  |
| 3 U.S.C. §301 .....  | 270  |
| 31 U.S.C. §5331 .....  | 204  |
| 35 U.S.C. §271(h) .....  | 109  |
| 4 U.S.C. §§110-113 .....   | 56   |
| 4 U.S.C. §106 .....  | 56   |
| 4 U.S.C. §110(a) .....   | 100  |
| 4 U.S.C. §110(d)29, 72, 73, 76, 77, 80, 90, 113, 146, 151, 152, 155, 160, 161, 189, 204, 236, 254, 259, 268, 269, 286, 310, 313, 316, 317, 319 |  |
| 4 U.S.C. §72 .....   | 49, 61, 156, 163, 175, 190, 191, 217, 218, 249, 273, 314, 323    |
| 4 U.S.C. §72 .....   | 273  |
| 42 U.S.C. §1994 .....  | 29, 59   |
| 42 U.S.C. §408 .....   | 113, 173   |

|  |   |
|--|---|
| 42 U.S.C. §408(a)(8) .....   | 175   |
| 42 U.S.C. 1994 .....   | 34  |
| 42 U.S.C. Chapter 21B .....  | 34  |
| 44 U.S.C. §1505(a) .....   | 165   |
| 48 U.S.C. §1612 .....  | 249, 274  |
| 48 U.S.C. §1612(a) .....   | 315   |
| 5 U.S.C. §2105 .....   | 136   |
| 5 U.S.C. §2105(a) .....  | 307   |
| 5 U.S.C. §301 .....  | 175   |
| 5 U.S.C. §5517 .....   | 56, 268   |
| 5 U.S.C. §552a .....   | 41  |
| 5 U.S.C. §552a(a)(2) .....   | 41, 55, 76, 99, 139, 151, 152, 182, 236, 259, 311   |
| 5 U.S.C. §552a(b) .....  | 311   |
| 5 U.S.C. §553(a) .....   | 165   |
| 5 U.S.C. §556(d) .....   | 218   |
| 8 U.S.C. §§1101(a)(21) and 1452 .....  | 288   |
| 8 U.S.C. §1101(a)(21)....  | 30, 35, 37, 41, 43, 60, 68, 73, 74, 76, 79, 80, 90, 91, 120, 140, 141, 142, 143, 145, 146, 148, 203, 214, 216, 217, 258, 259, 260, 281, 282, 286, 288, 293, 309 |
| 8 U.S.C. §1101(a)(22) .....  | 28, 60, 140, 141, 203, 207, 214, 258, 260, 282  |
| 8 U.S.C. §1101(a)(22)(B) .....   | 41, 74, 76, 79, 90, 141, 142, 145, 146, 148, 203, 207, 259, 288, 309  |
| 8 U.S.C. §1101(a)(3) .....   | 28, 35, 60, 73, 74, 79, 142, 145, 148, 217, 258   |
| 8 U.S.C. §1101(a)(36) .....  | 321   |
| 8 U.S.C. §140130, 35, 41, 42, 43, 47, 48, 50, 54, 60, 74, 76, 79, 80, 91, 97, 98, 100, 102, 112, 142, 143, 146, 148, 151, 160, 162, 176, 179, 185, 187, 203, 206, 207, 208, 212, 214, 216, 255, 256, 257, 258, 259, 266, 269, 282, 284, 286, 306, 318, 320, 324, 326 |   |
| 8 U.S.C. §1408 .....   | 28, 35, 60, 74, 76, 142, 148, 214, 259, 282, 288, 309   |
| 8 U.S.C. §1421 .....   | 79, 146   |
| 8 U.S.C. §145228, 30, 35, 37, 41, 43, 68, 73, 74, 76, 79, 80, 90, 120, 145, 146, 148, 203, 207, 217, 259, 281, 286, 288, 309   |   |
| 8 U.S.C. §800 (1940) .....   | 206   |
| 8 U.S.C. 1452 .....  | 60, 216   |
| 8 U.S.C.A. §1185 .....   | 206   |
| 9 U.S.C. §1 .....  | 250   |
| Anti-Injunction Act, 26 U.S.C. §7421 .....   | 171, 276  |
| Assimilated Crimes Act .....   | 248   |
| Buck Act, 4 U.S.C. §§105-111 .....   | 322   |
| Buck Act, 4 U.S.C. §§105-113 .....   | 317   |
| Buck Act, 4 U.S.C. §106 .....  | 268   |
| Cal.Civ.Code, §1589 .....  | 49  |
| California Civil Code, Section 1589 .....  | 114   |
| California Revenue and Taxation Code .....   | 99, 225   |
| California Revenue and Taxation Code, Section 17005 .....  | 99  |
| California Revenue and Taxation Code, Section 17017 .....  | 225   |
| California Revenue and Taxation Code, Section 17018 .....  | 225   |
| California Vehicle Code .....  | 224   |
| California Vehicle Code, Section 12502 .....   | 227   |
| California Vehicle Code, Section 12505 .....   | 224, 227  |
| California Vehicle Code, Section 12511 .....   | 225   |
| California Vehicle Code, Section 12805 .....   | 225   |
| California Vehicle Code, Section 14607 .....   | 222   |
| California Vehicle Code, Section 14607.6 .....   | 224   |
| California Vehicle Code, Section 516 .....   | 224, 225  |
| Code of Virginia, Section §46.2-328.1 .....  | 300   |
| Corporation Excise Tax Act of 1909 .....   | 84  |
| Declaratory Judgments Act, 28 U.S.C. §2201(a) .....  | 171, 276  |
| Federal Tax Lien Act .....   | 183   |
| Federal Tax Lien Act, Pub. L. 89-719, 80 Stat. 1144 .....  | 183   |
| Federal Tort Claims Act .....  | 109   |



|  |   |
|--|---|
| Foreign Sovereign Immunities Act .....   | 111   |
| Foreign Sovereign Immunities Act of 1976 .....                                       | 97  |
| Foreign Sovereign Immunities Act, 28 U.S.C. §1601-1611.....                          | 50  |
| Foreign Sovereign Immunities Act, 28 U.S.C. §1602 to 1611 .....                      | 164   |
| Foreign Sovereign Immunities Act, 28 U.S.C. §1602-1611.....                          | 174   |
| Foreign Sovereign Immunities Act, 28 U.S.C. §1605 .....                              | 68, 159, 280  |
| Foreign Sovereign Immunities Act, 28 U.S.C. §1605(a)(2).....                         | 185   |
| Foreign Sovereign Immunities Act, 28 U.S.C. Chapter 97 .....                         | 170, 171, 324   |
| Foreign Sovereign Immunities Act, 28 U.S.C. Part IV, Chapter 97.....                 | 111   |
| I.R.C. §6012 .....   | 253, 262  |
| I.R.C. §7701(a)(14) .....  | 253, 256  |
| I.R.C. §7701(a)(9) .....   | 265   |
| I.R.C. 7701(c ).....   | 230   |
| I.R.C. 871(a).....   | 133   |
| I.R.C. Section 162 .....   | 220   |
| I.R.C. Section 871 .....   | 131   |
| I.R.C. Subtitle A .....  | 290   |
| I.R.C. Subtitle C, Employment Taxes .....  | 188   |
| Internal Revenue Code .....  | 327   |
| Internal Revenue Code Subtitles A and C .....  | 188   |
| Internal Revenue Code, Subtitle A.....   | 30, 99, 102, 116, 153, 154, 161, 162, 164, 235, 250, 254, 318, 319, 322 |
| International Organization Immunities Act of December 29, 1945 (22 U.S.C. 288) ..... | 178   |
| IRC 6323(f) .....  | 183   |
| IRS Restructuring and Reform Act of 1998 .....                                       | 270   |
| Privacy Act.....   | 99, 152, 182  |
| R.S. § 1999.....   | 206   |
| Revenue Act of 1915 .....  | 278   |
| s 4411 of the Internal Revenue Code of 1954, 26 U.S.C.A. s 4411 .....                | 39  |
| Section 101(a)(22) of the Immigration and Nationality Act.....                       | 112   |
| Securities Act of 1933 .....   | 302   |
| Social Security Act.....   | 116, 164  |
| Stat. at L. 216, chap. 60.....   | 56  |
| Subtitle A of the I.R.C.....   | 250   |
| Subtitle A of the Internal Revenue Code.....   | 66  |
| Title 26 .....   | 236   |
| Title 26, Subchapter F .....   | 315   |
| Title 28 of the U.S. Code.....   | 57  |
| Title 48 United States Code.....   | 249   |
| Title 5 of the U.S. Code.....  | 182   |
| Title 5 of the United States Code .....  | 114   |
| Tort Claims Acts .....   | 109   |
| Treasury Department .....  | 42  |
| Uniform Commercial Code, Section 9-307(h) .....                                      | 314   |
| USA Patriot Act .....  | 173   |

## Regulations

|                                  |   |
|----------------------------------|---|
| 16 Fed.Reg. 11211, 11222.....    | 136   |
| 20 CFR §422.104 .....            | 162, 176  |
| 20 CFR §422.104(a) .....         | 177   |
| 26 CFR .....                     | 41  |
| 26 CFR §1.1-1(a)(2)(ii) .....    | 36, 74, 75, 76, 148, 149, 150, 259, 266                           |
| 26 CFR §1.1-1(c ).....           | 79, 80, 145, 146, 234, 266, 298                                   |
| 26 CFR §1.144101(c )(3) .....    | 216   |
| 26 CFR §1.1441-1 .....           | 100, 141  |
| 26 CFR §1.1441-1(c )(3).....     | 74, 75, 76, 102, 120, 148, 149, 152, 198, 235, 259, 279, 298, 324 |
| 26 CFR §1.1441-1(c )(3)(i) ..... | 79, 142, 145, 148, 151, 259                                       |

## Nonresident Alien Position

10 of 327



|  |  |
|--|--|
| 26 CFR §1.1441-1(c )(3)(ii) .....                    | 35, 36, 38, 41, 74, 75, 76, 79, 145, 148, 149, 259 |
| 26 CFR §1.1441-1(c )(6) .....                        | 310  |
| 26 CFR §1.6012-1 .....                               | 174, 179   |
| 26 CFR §1.6012-1(b) .....                            | 38, 119, 121, 150, 158                             |
| 26 CFR §1.6012-1(b)(1)(i) .....                      | 187  |
| 26 CFR §1.6012-3(b)(2)(i) .....                      | 145  |
| 26 CFR §1.6049-5(c)(1) or (4) .....                  | 197  |
| 26 CFR §1.861-8(f) .....                             | 243  |
| 26 CFR §1.861-8(f)(1)(iv) .....                      | 242  |
| 26 CFR §1.864-7(b)(2) .....                          | 143  |
| 26 CFR §1.864-7(d)(1)(i)(b) .....                    | 144  |
| 26 CFR §1.871-1(b) .....                             | 174, 179, 193                                      |
| 26 CFR §1.871-1(b)(1)(i) .....                       | 39, 174, 185, 189                                  |
| 26 CFR §1.871-2 .....                                | 79, 92, 146, 234                                   |
| 26 CFR §1.871-2(b) .....                             | 97, 284  |
| 26 CFR §1.871-4 .....                                | 142  |
| 26 CFR §1.871-4(b) .....                             | 79, 145  |
| 26 CFR §1.871-4(c )(ii) .....                        | 79, 145, 146                                       |
| 26 CFR §1.871-5 .....                                | 140  |
| 26 CFR §1.871-7(a)(4) .....                          | 194  |
| 26 CFR §1.871-9 .....                                | 182, 183   |
| 26 CFR §1.872-2 .....                                | 64, 139, 261, 262                                  |
| 26 CFR §1.872-2(b)(1) .....                          | 144  |
| 26 CFR §1.872-2(f) .....                             | 189, 190, 194, 287                                 |
| 26 CFR §1.872-2(f) .....                             | 320  |
| 26 CFR §1.932-1(a)(1) .....                          | 31   |
| 26 CFR §215.1 .....                                  | 321  |
| 26 CFR §301.6109-1 .....                             | 203  |
| 26 CFR §301.6109-1(b) .....                          | 172, 175, 197, 279, 302                            |
| 26 CFR §301.6109-1(d)(3) .....                       | 36, 75, 102, 149, 151                              |
| 26 CFR §301.7601-1 .....                             | 270  |
| 26 CFR §301.7701(b)-1(d) .....                       | 36, 38, 41, 75, 149, 188, 235                      |
| 26 CFR §301.7701(b)-7(a)(1) .....                    | 235  |
| 26 CFR §301.7701-1 .....                             | 173  |
| 26 CFR §301.7701-5 .....                             | 159, 277, 280                                      |
| 26 CFR §301.7701-5 .....                             | 166, 185, 265                                      |
| 26 CFR §306.10, Footnote 2 .....                     | 174  |
| 26 CFR §31.3121(e)-1 .....                           | 135  |
| 26 CFR §31.3401(a)(6)-1 .....                        | 62, 139  |
| 26 CFR §31.3401(a)(6)-1(b) .....                     | 189, 193, 287                                      |
| 26 CFR §31.3401(a)(6)-1A(c) .....                    | 145  |
| 26 CFR §31.3401(a)-3 .....                           | 163, 261, 264, 267                                 |
| 26 CFR §31.3401(a)-3 .....                           | 325  |
| 26 CFR §31.3401(a)-3(a) .....                        | 163, 264, 266                                      |
| 26 CFR §31.3401(c )-1 .....                          | 136, 137   |
| 26 CFR §31.3401(c)-1 .....                           | 63   |
| 26 CFR §31.3402(p)-1 .....                           | 325  |
| 26 CFR §31.3406(a)-1(a) .....                        | 197  |
| 26 CFR §31.3406(g)-1(e) .....                        | 194  |
| 26 CFR §31.3406-0 through 26 CFR §31.3406(j)-1 ..... | 197  |
| 26 CFR §509.103(b)(3) .....                          | 145  |
| 26 CFR §509.108(a)(1) .....                          | 145  |
| 26 CFR §871-1(b)(i) .....                            | 191  |
| 26 CFR Part 1 .....                                  | 175  |
| 26 CFR Part 301 .....                                | 175  |
| 31 CFR §103.30(d)(2) .....                           | 204  |
| 31 CFR §103.34 .....                                 | 177  |

|                              |          |
|------------------------------|----------|
| 31 CFR §103.34(a)(3)(x)..... | 174      |
| 31 CFR §202.2 .....          | 173      |
| 31 CFR §306.10 General.....  | 177      |
| 5 CFR §2635.101 .....        | 131      |
| Treasury Regulations.....    | 142, 327 |

## Rules

|   |   |
|---|---|
| Fed.R.Civ.P. 12(b)(6) .....   | 278   |
| Fed.R.Civ.P. 17(b).....   | 277   |
| Fed.R.Civ.Proc. 17(b).....  | 131   |
| Fed.R.Civ.1 P. 41(a).....   | 116   |
| Federal Rule of Civil Procedure 17 .....                            | 160   |
| Federal Rule of Civil Procedure 17(b) .....                         | 48, 68, 81, 97, 116, 163, 164, 179, 218, 226, 301 |
| Federal Rule of Civil Procedure 4(k) .....                          | 179   |
| Federal Rule of Civil Procedure 44.1 .....                          | 97  |
| Federal Rule of Civil Procedure 60 .....                            | 211   |
| Federal Rule of Civil Procedure 8(b)(6).....                        | 116, 312  |
| Federal Rule of Criminal Procedure 54(c ) .....                     | 183   |
| Federal Rule of Criminal Procedure 54(c ), prior to Dec. 2002 ..... | 183, 249, 273                                     |
| Federal Rule of Evidence 611(c ) .....                              | 158   |
| Federal Rules of Civil Procedure 44 and 44.1.....                   | 211   |
| Tax Court Rule 13(a).....   | 302   |

## Cases

|   |                                    |
|---|------------------------------------|
| A.C. Aukerman Co. v. R.L. Chaides Constr. Co., 960 F.2d 1020, 1037 (Fed.Cir.1992) .....   | 274                                |
| Ableman v. Booth, 62 U.S. 506, 516 (1858).....  | 243, 273                           |
| Adams v. New Bedford (155 Mass. 317) .....  | 167                                |
| Alden v. Maine, 527 U.S. 706 (1999) .....   | 90, 251                            |
| Altman & Co. v. United States, 224 U.S. 583, 600 , 601 S., 32 S.Ct. 593 .....   | 252                                |
| Ambort v. U.S., 392 F.3d 1138 (2004).....   | 274, 277, 278                      |
| American Banana Co. v. U.S. Fruit, 213 U.S. 347 at 357-358.....   | 98, 102, 150, 156                  |
| American Banana Co. v. United Fruit Co., 213 U.S. 347, 356 , 29 S.Ct. 511, 16 Ann.Cas. 1047 .....   | 252                                |
| American La France Fire Engine Co., to Use of American La France & Foamite Industries, v. Borough of Shenandoah,<br>C.C.A.Pa., 115 F.2d 886, 867..... | 108                                |
| American Surety Co. v. Hattrem, 138 Or. 358, 364, 3 P.(2d) 1109, 6 P.(2d) 1087 .....  | 232                                |
| Ashcroft, 501 U.S., at 458 .....  | 305                                |
| Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513, 56 S.Ct. 892 (1936) ...  | 58, 59, 190, 245, 263,<br>270, 319 |
| Ashwander v. Tennessee Valley Auth., 297 U.S. 288 (1936) .....  | 116                                |
| Baltimore & Ohio Railroad Co. v. Chambers, 73 Ohio St. 16, 76 N.E. 91, 11 L.R.A., N.S., 1012 (1905).....  | 103, 250, 327                      |
| Bank of Augusta v. Earle, 38 U.S. (13 Pet.) 519, 10 L.Ed. 274 (1839).....   | 59, 260                            |
| Bank of Augusta v. Earle, 38 U.S. (13 Pet.) 519; 10 L.Ed. 274 (1839) .....  | 87                                 |
| Barbier v. Connolly, 113 U.S. 31 ; S. C. 5 Sup. Ct. Rep. 357 .....  | 245, 271                           |
| Barnette v. Wells Fargo Nevada Nat'l Bank, 270 U.S. 438, 70 L.Ed 669, 46 S Ct 326.....  | 168                                |
| Barney v. Baltimore, 6 Wall. 280, 18 L. ed. 825.....  | 45, 255, 321                       |
| Beer v. Moffatt (192 Fed. 984, affirmed 209 Fed. 779) .....   | 167                                |
| Benson v. United States, Nos. 94-4182, 95-4061, 1995 WL 674615, at **2 - 3 (10th Cir. Nov. 13, 1995) .....  | 278                                |
| Betz, 40 Fed.Cl. at 295 .....   | 266                                |
| Blair v. Commissioner, 300 U.S. 5, 9 , 10 S., 57 S.Ct. 330, 331.....  | 55                                 |
| Bliss v. Hoy, 70 Vt. 534, 41 A. 1026 .....  | 108                                |
| Boutilier v. Immigration and Naturalization Service, 387 U.S. 118, 123 (1967) .....   | 80, 146, 234                       |
| Bowers v. Kerbaugh-Empire Co., 271 U.S. 170, 174, (1926).....   | 84, 101                            |
| Boyd v. State of Nebraska, 143 U.S. 135 (1892) .....  | 40, 88, 119, 185, 227, 229         |
| Boyd v. U.S., 116 U.S. 616, 6 S.Ct. 524 (1886).....   | 307                                |

|  |   |
|--|---|
| Brady v. U.S., 397 U.S. at 749, 90 S.Ct. 1463 at 1469 (1970) .....   | 166, 264  |
| Broadrick v. Oklahoma, 413 U.S. 601, 616 -617 (1973).....  | 50, 165   |
| Brookhart v. Janis, 384 U.S. 1, 86 S.Ct. 1245, 16 L.Ed.2d 314 (1966).....  | 166   |
| Brown v. Babbitt Ford, Inc., 117 Ariz. 192, 571 P.2d 689, 695.....   | 56, 119, 322  |
| Brown v. Pierce, 74 U.S. 205, 7 Wall 205, 19 L.Ed 134.....   | 168   |
| Brushaber v. Union P. R. Co., 240 U.S. 1, 17 .....   | 101   |
| Brushaber v. Union Pacific R. R. Co., 240 U.S. 1, 17-19, 36 Sup. Ct. 236, Ann. Cas. 1917B, 713, L. R. A. 1917D, 414256 |   |
| Brushaber v. Union Pacific Railroad, 240 U.S. 1 (1916) .....   | 42  |
| Buckley v. Valeo, 424 U.S. 1, 118 -137 (1976) .....  | 103, 305  |
| Buckley v. Valeo, 424 U.S., at 122, 96 S.Ct., at 683.....  | 302   |
| Budd v. People of State of New York, 143 U.S. 517 (1892).....  | 91, 110   |
| Buffington v. Day, 11 Wall. 113, 78 U.S. 122 (1871).....   | 247   |
| Bull v. United States, 295 U.S. 247, 261, 55 S.Ct. 695, 700, 79 L.Ed. 1421 .....                                       | 283   |
| Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d 321, 325 .....   | 120, 137, 138, 182, 190, 197, 200, 232, 237, 254, 266, 279, 314 |
| Burk-Waggoner Oil Association v. Hopkins, 269 U.S. 110, 111, 114 S., 46 S.Ct. 48, 49.....                              | 55  |
| Burnet v. Brooks, 288 U.S. 378, 396, 53 S.Ct. 457, 461, 86 A.L.R. 747 .....  | 252   |
| Burnet v. Brooks, 288 U.S. 378, 396, 53 S.Ct. 457, 86 A.L.R. 747 .....   | 244, 263, 269, 306  |
| Burnet v. Harmel, 287 U.S. 103, 110, 53 S.Ct. 74, 77 .....   | 55  |
| Caldwell v. Missouri State Life Ins. Co., 230 S.W. 566, 568, 148 Ark. 474 .....  | 108   |
| Calhoun v. Memphis & P.R. Co., Fed. Cas. No. 2,309 .....   | 232   |
| California v. Taylor, 353 U. S. 553, 566 (1957).....   | 109   |
| California v. Taylor, supra, 353 U.S. at 568.....  | 107   |
| Cameron, to Use of Cameron, v. Eynon, 332 Pa. 529, 3 A.2d 423, 424 .....   | 108   |
| Carlisle v. United States, 83 U.S. 147, 154 (1873).....  | 109   |
| Carr v. U. S. 98 U.S. 433, 437.....  | 109   |
| Carroll v. Fetty, 121 W.Va 215, 2 SE.2d 521, cert den 308 U.S. 571, 84 L.Ed 479, 60 S Ct 85 .....                      | 168   |
| Carter v. Carter Coal Co., 298 U.S. 238 (1936) .....   | 90, 263, 269, 270, 306  |
| Carter v. Carter Coal Co., 298 U.S. 238, 294, 56 S.Ct. 855, 865 .....  | 251   |
| Carter v. Carter Coal Co., 298 U.S. 238, 295, 56 S.Ct. 855, 865 .....  | 305   |
| Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936) .....   | 52, 59, 186, 190, 244, 319                                      |
| Carter v. Carter Coal Co., supra, 298 U.S. 238, at page 295, 56 S.Ct. 855, 865 .....                                   | 252   |
| Cary v. Curtis, 3 How. 236, 245, 256.....  | 109   |
| Case v. Terrell, 11 Wall. 199, 201.....  | 109   |
| Cereghino v. State By and Through State Highway Commission, 230 Or. 439, 370 P.2d 694, 697.....                        | 111   |
| Chae Chan Ping v. U.S., 130 U.S. 581 (1889) .....  | 29, 80, 81, 146, 147, 234                                       |
| Chandler v. Dix, 194 U.S. 590 .....  | 107   |
| Channel v. U.S., No. C88-0118P(CS), 1988 U.S. Dist. LEXIS 16904 at *5 (W.D. Ky. August 9, 1988) .....                  | 267   |
| Cheek, 498 U.S. at 206, 111 S.Ct. 604.....   | 278   |
| Chesebrough v. United States (192 U. S. 253).....  | 167   |
| Chisholm v. Georgia, 2 Dall (U.S.) 419, 454, 1 L.Ed. 440, 455 @DALL 1793, pp. 471-472 .....                            | 88  |
| Chisholm v. Georgia, 2 Dall. (U.S.) 419, 1 L.Ed. 440 (1793).....   | 46, 47, 269   |
| Chisholm, Ex'r. v. Georgia, 2 Dall. (U.S.) 419, 1 L.ed. 454, 457, 471, 472 (1794) .....                                | 227   |
| Christie Street Commission Co. v. United States (126 Fed. 991) .....   | 167   |
| Chy Lung v. Freeman, 92 U.S. 276.....  | 246, 271  |
| Cincinnati & C. R. Co. v. Hamilton County (120 Tenn. 1).....   | 168   |
| City of Boerne v. Florez, Archbishop of San Antonio, 521 U.S. 507 (1997).....  | 49, 83, 131, 163, 189, 263                                      |
| Civil Service Comm'n v. Letter Carriers, 413 U.S. 548, 556 (1973).....   | 50, 165   |
| Clafin v. Houseman, 93 U.S. 130, 136 (1876) .....  | 243, 268, 270, 273  |
| Clark v. United States, 95 U.S. 539 (1877) .....   | 200, 294  |
| Clearfield Trust Co. v. United States, 318 U.S. 363, 369 (1943) .....  | 69  |
| Cleveland Bd. of Ed. v. LaFleur (1974) 414 U.S. 632, 639-640, 94 S.Ct. 1208, 1215.....                                 | 71  |
| Cleveland Bd. of Ed. v. LaFleur (1974) 414 US 632, 639-640, 94 S.Ct. 1208, 1215.....                                   | 275   |
| Coder v. Arts, 213 U.S. 223, 242, 29 S.Ct. 436, 16 Ann.Cas. 1008 .....   | 232   |
| Coffin v. United States, 156 U.S. 432, 453 (1895).....   | 171   |
| Cohens v. Virginia, 19 U.S. 264, 380-83 (1821).....  | 267   |
| Cohens v. Virginia, 19 U.S. 264, 6 Wheat. 265, 5 L.Ed. 257 (1821).....   | 29, 51  |
| Cohens v. Virginia, 19 U.S. 264, 6 Wheat. 265; 5 L.Ed. 257 (1821).....   | 73  |



|  |   |
|--|---|
| Cohens v. Virginia, 6 Wheat. 264, 413 .....  | 234   |
| Colautti v. Franklin, 439 U.S. 379 (1979) .....  | 281, 314  |
| Colautti v. Franklin, 439 U.S. at 392-393, n. 10 .....   | 137, 182, 200, 281, 286, 314                                |
| Colbutti v. Franklin, 439 U.S. 379, 392, and n. 10 (1979) .....  | 314   |
| Coleman v. Commissioner, 791 F.2d 68 (7 <sup>th</sup> Cir. 1986).....  | 256   |
| Coleman v. Thompson, 501 U.S. 722, 759 (1991).....   | 50, 103, 305, 322   |
| College Savings Bank v. Florida Prepaid Postsecondary Education Expense, 527 U.S. 666 (1999).....                | 109   |
| Commissioner of Internal Revenue v. Glenshaw Glass Co., 348 U.S. 426, 431, 75 S.Ct. 473, 476, 99 L.Ed. 483 ..... | 40, 135   |
| Connick v. Myers, 461 U.S. 138, 147 (1983).....  | 50, 165   |
| Cook v. Johnson, 12 N.J.Eq. 51, 72 Am.Dec. 381 .....   | 232   |
| Cook v. Tait, 265 U.S. 44 (1924) .....   | 35, 74, 148, 248  |
| Cook v. Tait, 265 U.S. 47 (1924) .....   | 293, 306  |
| Cook v. Tait, 265 U.S. 47 (1925) .....   | 218   |
| Cooke v. United States, 91 U.S. 389, 398 (1875).....   | 69  |
| Cooper v. Stinson, 5 Minn. 522 (Gil. 416).....   | 232   |
| Corkie v. Maxwell (7 Fed. Cas. 3231) .....   | 167   |
| Corporation Tax Law of 1909 .....  | 84, 101   |
| Crooks v. Harrelson, 282 U.S. 55, 59, 51 S.Ct. 49, 50.....   | 55  |
| Cruden v. Neale, 2 N.C., 2 S.E. 70 (1796) .....  | 67  |
| Datta v. Staab, 343 P.2d 977, 982, 173 C.A.2d 613.....   | 116   |
| Davidson v. New Orleans, 96 U.S. 97, 102; Missouri Pacific Railway v. Nebraska, 164 U.S. 403, 417.....           | 29  |
| De Groot v. U. S. 5 Wall. 419, 431 .....   | 109   |
| Del Vecchio v. Bowers, 296 U.S. 280, 286, 56 S.Ct. 190, 193, 80 L.Ed. 229 (1935).....                            | 274   |
| Delaware &c. R. Co. v. Pennsylvania, 198 U.S. 341, 358 .....   | 29  |
| Dennis v. U.S., 660 F.Supp. 870, 875 n.2 (C.D.Ill. 1987).....  | 267, 269  |
| Dexter v. Boston (176 Mass. 247).....  | 168   |
| Dollar Savings Bank v. United States, 19 Wall. 227 .....   | 215   |
| Downes v. Bidwell, 182 U.S. 244 (1901).....  | 45, 46, 47, 57, 185, 210, 218, 247, 255, 265, 272, 317, 321 |
| Downes v. Bidwell, 182 U.S. 244, at 278-279 (1901).....  | 313   |
| Doyle v. Mitchell Brothers Co., 247 U.S. 179, 185 .....  | 84, 101   |
| Dred Scott v. John F.A. Sanford, 60 U.S. 393 (1856).....   | 103, 327  |
| Economy Plumbing & Heating v. U.S., 470 F.2d. 585 (1972).....  | 156, 158, 170, 276  |
| Edmonson v. Leesville Concrete Company, 500 U.S. 614 (1991).....   | 38  |
| Edwards v. Cuba Railroad, 268 U.S. 628, 633.....   | 84, 101   |
| Eisner v. Macomber, 252 U.S. 189 (1920).....   | 101   |
| Eisner v. Macomber, 252 U.S. 189, 207 .....  | 84, 101   |
| Elliott v. Swartwout (10 Pet. 137) .....   | 167   |
| Ex parte Blain, L. R. 12 Ch. Div. 522, 528 .....   | 98, 150, 155  |
| Export Administration Act of 1979 (50 App. U.S.C. 2405 292H(j)) .....  | 112   |
| Faske v. Gershman, 30 Misc 2d 442, 215 NYS2d 144.....  | 168, 169  |
| Fauntleroy v. Lum, 210 U.S. 230, 28 S.Ct. 641 .....  | 215   |
| Flint v. Stone Tracy Co., 220 U.S. 107 (1911).....   | 83  |
| Flint v. Stone Tracy Co., 220 U.S. 107, 55 L.Ed. 389, 31 Sup.Ct.Rep. 342, Ann. Cas. ....                         | 101   |
| Flower v. Lance (59 N.Y. 603).....   | 168   |
| Fong Yue Ting v. United States, 149 U.S. 698 (1893).....   | 80, 146, 233, 318, 320                                      |
| Fong Yue Ting v. United States, 149 U.S. 698, 705 et seq., 13 S.Ct. 1016 .....                                   | 244, 252, 263, 269, 306                                     |
| Ford Motor Co. v. Department of Treasury, 323 U.S. 459, 466 470.....   | 107   |
| Foreign Assistance Act of 1961 (22 U.S.C. 2371) .....  | 112   |
| Fox v. Standard Oil Co. of N.J., 294 U.S. 87, 95-96 (1935) .....   | 137, 182, 200, 281, 286, 314                                |
| Fox v. The State of Ohio, 46 U.S. 410, 5 Howard 410, 12 L.Ed. 213 (1847) .....                                   | 245   |
| Fraser v. Bentel, 161 Cal. 390, 394, 119 P. 509, Ann. Cas. 1913B, 1062.....                                      | 232   |
| Gar v. Hurd (92 Ills. 315).....  | 168   |
| Gardner v. Broderick, [497 U.S. 62, 95] 392 U.S. 273, 277 -278 (1968).....                                       | 165   |
| Gardner v. Broderick, 392 U.S. 273, 277 -278 (1968) .....  | 50  |
| Gibbons v. Ogden, 22 U.S. 21 (1824).....   | 245, 271  |
| Gibbons v. Ogden, 9 Wheat. 203 .....   | 245   |
| Githens v. Shiffler (D.C.) 112 F. 505 .....  | 232   |

|  |  |
|--|--|
| Glasser v. United States, 315 U.S. 60, 70-71, 86 L.Ed. 680, 699, 62 S.Ct. 457 .....                | 166  |
| Glenney v. Crane (Tex Civ App Houston (1st Dist)) 352 SW2d 773 .....                               | 168  |
| Glenney v. Crane (Tex Civ App Houston (1st Dist)) 352 SW2d 773, writ ref n r e (May 16, 1962)..... | 169  |
| Goodrich v. Edwards, 255 U.S. 527, 535 .....   | 84, 101  |
| Gordon v. U. S., 227 Ct.Cl. 328, 649 F.2d 837 (Ct.Cl., 1981) .....                                 | 283  |
| Gould v. Gould, 245 U.S. 151 (1917) .....  | 296  |
| Gould v. Gould, 245 U.S. 151, at 153 (1917).....   | 206  |
| Gould v. Hennepin County (76 Minn. 379).....   | 167  |
| Graves v. People of State of New York, 306 U.S. 466 (1939) .....                                   | 58, 245, 270                                   |
| Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581 .....                              | 116  |
| Great Northern Life Ins. Co. v. Read, supra, 322 U.S. 47, 51 .....                                 | 106  |
| Gregory v. Ashcroft, 501 U.S. 452, 458 (1991) .....  | 28, 59, 256, 305                               |
| Gregory v. Ashcroft, 501 U.S., at 458.....   | 50, 322  |
| Gulf, C. & S. F. R. Co. v. Ellis, 165 U.S. 150 (1897) .....  | 110  |
| Hale v. Henkel, 201 U.S. 43 at 47 (1906) .....   | 90   |
| Hale v. Henkel, 201 U.S. 43, 74 (1906) .....   | 117  |
| Hammer v. Dagenhart, 247 U.S. 251, 275 , 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724.....        | 52, 59, 186, 190, 244, 263, 269, 305, 318, 319 |
| Harris v. Avery Brundage Co., 305 U.S. 160, 83 L. Ed. 100, 59 S. Ct. 131 (1938).....               | 104  |
| Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964).....                            | 49, 83, 131, 163, 189, 263                     |
| Heider v. Unicum, 142 Or 416, 20 P2d 384 .....   | 169  |
| Heiner v. Donnan, 285 U.S. 312, 52 S.Ct. 358, 76 L.Ed. 772 (1932) .....                            | 275  |
| Henderson v. Mayor of New York, 92 U.S. 263 .....  | 246, 271                                       |
| Hepburn v. Ellzey, 2 Cranch, 445, 2 L. ed. 332 .....   | 45, 255  |
| Hepburn v. Ellzey, 2 Cranch, 445, 2 L.Ed. 332.....   | 265, 321                                       |
| Hill v. U. S. 9 How. 386, 389 .....  | 109  |
| Hoeper v. Tax Comm'n, 284 U.S. 206, 52 S.Ct. 120, 76 L.Ed. 248 (1931) .....                        | 275  |
| Hooe v. Jamieson, 166 U.S. 395 , 41 L. ed. 1049, 17 Sup. Ct. Rep. 596 .....                        | 45, 255, 265, 321                              |
| Hooven & Allison Co. v. Evatt, 324 U.S. 652 (1945) .....   | 44, 205, 212                                   |
| Hooven and Allison v. Evatt, 324 U.S. 652 (1945) .....   | 286  |
| Hooven and Allison v. Evatt, 324 U.S. 653 (1945) .....   | 73   |
| In Chicago &c. R. Co. v. Chicago, 166 U.S. 226 .....   | 29   |
| In re Becraft, 885 F.2d at 548 n.2 .....   | 256  |
| In re Becraft, 885 F.2d at 549-50 .....  | 266  |
| In Scott v. Jones, 5 How. 343, 12 L. ed. 181 .....   | 321  |
| INS v. Chadha, 462 U.S. 919, 944 -959 (1983) .....   | 103, 305                                       |
| International Shoe Co. v. Washington, 326 U.S. 310 (1945) .....                                    | 68, 115, 159, 186                              |
| Iowa ex rel. District Prosecuting Attorney, 12 How. 1, 13 L. ed. 867 .....                         | 265  |
| Irwin v. Gavit, 268 U.S. 161, 167 .....  | 84, 101  |
| Jackson v. Ashton, 33 U.S. (8 Peters), 148, 148-49, 8 L. Ed. 898 (1834).....                       | 104  |
| James v. Bowman, 190 U.S. 127, 139 (1903) .....  | 49, 83, 131, 163, 189, 263                     |
| Jensen v. Brown, 19 F.3d 1413, 1415 (Fed.Cir.1994).....  | 274  |
| Johnson v. Zerbst, 304 U.S. 458, 464, 82 L.Ed. 1461, 1466; 58 S.Ct. 1019, 146 A.L.R. 357 .....     | 166  |
| Jones v. United States, 137 U.S. 202, 212 , 11 S.Ct. 80 .....                                      | 244, 252, 263, 269, 305                        |
| Juilliard v. Greenman, 110 U.S. 421 (1884).....  | 60, 67, 117                                    |
| Justice Wilson, Chisholm v. Georgia, 2 Dall. (2 U.S.) 419, 1 L.Ed 440, 455 (1793).....             | 42   |
| Kelley v. Johnson, 425 U.S. 238, 247 (1976).....   | 49, 165  |
| Kellum v. Browning's Adm'r. 231 Ky. 308. 21 S.W.2d 459, 465 .....                                  | 108  |
| Kentucky Bank v. Stone (88 Fed. 383) .....   | 167  |
| Kleindienst v. Mandel, 408 U.S. 753 (1972).....  | 29, 80, 146, 234                               |
| Koshland v. Helvering, 298 U.S. 441, 446-447, 56 S.Ct. 767, 769-770, 80 L.Ed. 1268.....            | 39, 135  |
| Lake v. Lake, 817 F.2d 1416, 1421 (9th Cir. 1987) .....  | 159  |
| Lamborn v. County Commissioners (97 U. S. 181) .....   | 167  |
| Landon v. Kansas City Gas Co., C.C.A.Kan., 10 F.2d 263, 266.....                                   | 108  |
| Leary v. United States, 395 U.S. 6, 29-53, 89 S.Ct. 1532, 1544-1557, 23 L.Ed.2d 57 (1969).....     | 275  |
| License Tax Cases, 72 U.S. 462 (1866) .....  | 84   |
| License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866) .....            | 58, 244, 270, 323                              |

|  |   |
|--|---|
| Little v. Bowers (134 U. S. 547, 554) .....  | 167   |
| Loan Association v. Topeka, 20 Wall. 655 (1874).....   | 290   |
| Lonsdale v. Commissioner, 661 F.2d 71, 72 (5th Cir. 1981) .....  | 254   |
| Lonsdale, 919 F.2d at 1448 .....   | 265   |
| Loughborough v. Blake, 18 U.S. 317, 5 Wheat. 317, 5 L. ed. 98 (1820) .....                                       | 248   |
| Loughborough v. Blake, 5 Wheat. 317, 5 L.Ed. 98.....   | 56  |
| Lovell v. United States, 755 F.2d 517, 519 (7th Cir. 1984) .....   | 256   |
| Luther v. Borden, 48 U.S. 1, 12 LEd 581 (1849) .....   | 118   |
| Mansfield, Coldwater & Lake Michigan Railway Co. v. Swan, 111 U.S. 379, 28 L. Ed. 462, 4 S. Ct. 510 (1884) ..... | 104   |
| Martin v. Kearney County (62 Minn. 538).....   | 167   |
| Matter of Goetz, 71 App.Div. 272, 275, 75 N.Y.S. 750 .....   | 232   |
| Maurice v. State, supra, 43 Cal.App.2d at 275, 277, 110 P.2d at 710-711.....                                     | 107   |
| Mayer, etc. of the City of New York v. Miln., 36 U.S. 102, 11 Pet. 102, 9 L.Ed. 648 (1837) .....                 | 305   |
| McCue v. Monroe County (162 N.Y. 235).....   | 167   |
| M'Culloch v. State, 17 U.S. 316 (U.S.,1819) .....  | 102   |
| Meese v. Keene, 481 U.S. 465, 484 (1987).....  | 254, 266, 281, 314  |
| Meese v. Keene, 481 U.S. 465, 484-485 (1987) .....   | 137, 182, 200, 281, 286, 314                                    |
| Merchants' L. & T. Co. v. Smietanka, 255 U.S. 509, 219 .....   | 84, 101   |
| Meredith v. United States, 13 Pet. 486, 493.....   | 215   |
| Meyer, 311 U.S. 457, 463 (1940)).....  | 115, 159  |
| Miles v. Safe Deposit Co., 259 U.S. 247, 252-253.....  | 84, 101   |
| Miller Brothers Co. v. Maryland, 347 U.S. 340 (1954).....  | 28, 69, 143, 161, 178, 218, 220, 254, 319, 326                  |
| Miller's Appeal, 100 Pa. 568, 45 Am.Rep. 394 .....   | 108   |
| Milliken v. Meyer, 311 U.S. 457, 463 (1940) .....  | 186   |
| Milwaukee v. White, 296 U.S. 268 (1935).....   | 216   |
| Miners' Bank v. Iowa ex rel. District Prosecuting Attorney, 12 How. 1, 13 L. ed. 867 .....                       | 45, 255, 321  |
| Minor v. Happersett, 21 Wall. 162, 166-168 (1874) .....  | 70  |
| Minor v. Happersett, 88 U.S. 162 (1874) .....  | 257   |
| Montgomery v. Cowlitz County (14 Wash. 230) .....  | 168   |
| Morrissey v. Commissioner, 296 U.S. 344, 356 , 56 S.Ct. 289, 294.....  | 55  |
| Mowry v. Reed, 187 Mass. 174, 177, 72 N.E. 936.....  | 232   |
| Mt. Hope Cemetery v. Boston, 158 Mass. 509, 519.....   | 29  |
| N.Y. v. re Merriam 36 N.E. 505; 141 N.Y. 479; affirmed 16 S.Ct. 1073; 41 L. Ed. 287 .....                        | 87  |
| National League of Cities v. Usery, 426 U.S., at 842, n. 12.....   | 103, 305  |
| New Orleans Gas Company v. Louisiana Light Company, 115 U.S. 650 (1885) .....                                    | 246, 271  |
| New Orleans v. Winter, 1 Wheat. 91, 4 L. ed. 44.....   | 45, 265   |
| New York Life Ins. Co. v. Gamer, 303 U.S. 161, 171, 58 S.Ct. 500, 503, 82 L.Ed. 726 (1938) .....                 | 274   |
| New York v. United States, 505 U.S. 144, 112 S.Ct. 2408, 120 L.Ed.2d 120 (1992).....                             | 162, 263, 305, 322  |
| Newblock v. Bowles, 170 Okl. 487, 40 P.2d 1097, 1100....   | 120, 137, 138, 182, 190, 197, 200, 232, 237, 254, 266, 279, 314 |
| Newhall v. Jordan (160 Fed. 661) .....   | 167   |
| Newman-Green v. Alfonso Larrain, 490 U.S. 826 (1989) .....   | 179   |
| Nichols v. U. S. 7 Wall. 122, 126.....   | 108   |
| Nishimur Ekiu v. United States, 142 U.S. 651, 659 , 12 S.Ct. 336 .....   | 244, 263, 269, 305  |
| Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. at 83-84, 102 S.Ct. 2858 (1983).....            | 303   |
| Nowell v. Nowell, Tex.Civ.App., 408 S.W.2d 550, 553.....   | 56, 119, 322  |
| Oakland Cemetery Association v. Ramsey County (98 Minn. 404).....  | 168   |
| Oceanic Navigation Co. v. Stranahan, 214 U.S. 320, 339 (1909) .....  | 80, 146, 234  |
| O'Connor v. Ortega, 480 U.S. 709, 723 (1987).....  | 49, 165   |
| O'Donoghue v. United States, 289 U.S. 516, 53 S.Ct. 740 (1933) .....   | 45  |
| Olmstead v. United States, 277 U.S. 438, 478 (1928).....   | 110   |
| O'Neill v. United States, 231 Ct.Cl. 823, 826 (1982) .....   | 69  |
| Pacemaker Diagnostic Clinic of America Inc. v. Instromedix Inc., 725 F.2d 537 (9th Cir. 02/16/1984) .....        | 104   |
| Padelford, Fay & Co. v. Mayor and Aldermen of City of Savannah, 14 Ga. 438, WL 1492, (1854) .....                | 114   |
| Palmer v. Ohio, 248 U.S. 32.....   | 107   |
| Papasan v. Allain, 478 U.S. 265 (1986) .....   | 116   |
| Parden v. Terminal R. Co., 377 U.S. 184 (1964) .....   | 108, 119  |
| Paul v. Virginia, 8 Wall (U.S.) 168, 19 L.Ed 357 (1868).....   | 81  |



|   |               |
|---|---------------|
| Peck v. Lowe, 247 U.S. 165 (1918) .....   | 256           |
| Peebles v. Pittsburgh.(101 Pa. St. 304) .....   | 168           |
| Penhallow v. Doane, 3 Dall. 54, 80, 81, Fed.Cas. No. 10925 .....  | 251           |
| Pennoyer v. Neff, 95 U.S. 714, 732-733 (1878).....  | 186           |
| People ex re. Atty. Gen. V. Naglee, 1 Cal. 234 (1850) .....   | 59            |
| People ex rel. Estate of Woolworth v. S.T. Comm., 200 App.Div. 287, 289, 192 N.Y.S. 772 .....   | 232           |
| People v. Merrill, 2 Park. Crim. Rep. 590, 596.....   | 98, 150, 155  |
| Perkins v. Elg., 1939, 307 U.S. 325, 59 S.Ct. 884, 83 L.Ed. 1320 .....  | 37            |
| Perkins v. State, 61 Wis.2d 341, 212 N.W.2d 141, 146 .....  | 60            |
| Perry v. U.S., 294 U.S. 330 (1935).....   | 60, 117       |
| Piqua Branch Bank v. Knoup, 6 Ohio St. 393.....   | 47            |
| Plessy v. Ferguson, 163 U.S. 537, 542 (1896) .....  | 296           |
| Poe v. Seaborn, 282 U.S. 101, 109 , 110 S., 51 S.Ct. 58.....  | 55            |
| Pollock v. Farmer's Loan & T. Co., 157 U.S. 429, 29 L. Ed. 759, 15 Sup. St. Rep. 673, 158 U.S. 601, 39 L. Ed. 1108, 15<br>Sup. Ct. Rep. 912 ..... | 84, 101       |
| Pollock v. Farmers' Loan & Trust Co., 158 U.S. 601.....   | 101           |
| Pollock v. Farmers' Loan & Trust Co., 157 U.S. 429, 158 U.S. 601 (1895).....  | 132           |
| Powers ex re. Covon v. Charron R.I., 135 A. 2nd 829, 832 .....  | 205           |
| Premier Products Co. v. Cameron, 240 Or. 123, 400 P.2d 227, 228 .....   | 231           |
| Price v. United States, 269 U.S. 492 , 46 S.Ct. 180.....  | 215           |
| Principe Compania Naviera, S. A. v. Board of Com'rs of Port of New Orleans, D.C.La., 333 F.Supp. 353, 355 .....                                   | 109           |
| Proprietors of Charles River Bridge v. Proprietors of Warren Bridge, 36 U.S. 420 (1837).....  | 48, 81, 226   |
| Providence Bank v. Billings, 29 U.S. 514 (1830) .....   | 42            |
| Public Workers v. Mitchell, 330 U.S. 75, 101 (1947) .....   | 50, 165       |
| Railroad Co. v. Alabama, 101 U.S. 832 .....   | 109           |
| Railroad Co. v. Commissioner (98 U. S. 541, 543).....   | 167           |
| Railroad Co. v. Husen, 95 U.S. 474 .....  | 246, 271      |
| Railroad Co. v. Tennessee, 101 U.S. 337 .....   | 109           |
| Railroad Company v. Jackson, 7 Wall. 262 .....  | 29            |
| Reccide v. Walker, 11 How. 272, 290 .....   | 109           |
| Robins v. Latham (134 No. 466).....   | 168           |
| Roboz v. Kennedy, 219 F.Supp. 892 (D.D.C. 1963), p. 24 .....  | 70            |
| Routen v. West, 142 F.3d 1434 C.A.Fed.,1998.....  | 275           |
| Rowen v. U.S., 05-3766MMC. (N.D.Cal. 11/02/2005).....   | 210           |
| Rutan v. Republican Party of Illinois, 497 U.S. 62 (1990).....  | 50, 165       |
| Savorgnan v. United States, 1950, 338 U.S. 491, 498 note 11, 70 S. Ct. 292, 296, 94 L. Ed. 287 .....  | 206           |
| Schlesinger v. Wisconsin, 270 U.S. 230, 46 S.Ct. 260, 70 L.Ed. 557 (1926) .....   | 275           |
| Schwarzenegger v. Fred Martin Motor Co., 374 F.3d 797, 802 (9th Cir. 2004) .....  | 115, 159, 186 |
| Scott v. Jones, 5 How. 343, 12 L. ed. 181 .....   | 45, 255, 265  |
| Second Employers' Liability Cases, 223 U.S. 1 .....   | 106           |
| Second Employers' Liability Cases, 223 U.S. 1, 57 (1912).....   | 268, 270      |
| Seminole Tribe of Fla. v. Florida, 517 U.S. 44 (1996).....  | 109           |
| Sinking Fund Cases, 99 U.S. 700 (1878) .....  | 168, 171      |
| Slaughter House Cases, 16 Wall, 36 .....  | 296           |
| Slaughter-House Cases, 83 U.S. (16 Wall.) 36, 21 L.Ed. 394 (1873) .....   | 255, 276      |
| Slaughter-House Cases, 83 U.S. (16 Wall.) 36, 21 L.Ed. 394(1873) .....  | 73            |
| Slimmer v. Chickasaw County (140 Iowa, 448) .....   | 168           |
| Sloan v. U.S., 621 F.Supp. 1072, 1073-74 (N.D. Ind. 1985).....  | 267, 269      |
| Sloan, 939 F.2d at 501.....   | 266           |
| Smith v. Smith, 206 Pa.Super. 310m 213 A.2d 94.....   | 28, 68        |
| Socialism: The New American Civil Religion, Form #05.016.....   | 157           |
| South Carolina v. United States, 199 U.S. 437, 448 , 26 S.Ct. 110, 4 Ann.Cas. 737 .....   | 305           |
| Southern Pacific Co. v. Lowe, 247 U.S. 330, 335.....  | 84, 101       |
| Spreckels Sugar Refining Co. v. McClain, 192 U.S. 397 (1904) .....  | 212, 235      |
| St. Louis Casting Co. v. Prendergast Construction Co., 260 U.S. 469 .....   | 116           |
| Stanton v. Baltic Mining Co., 240 U.S. 103 (1916) .....   | 256           |
| Stanton v. Baltic Mining Co., 240 U.S. 103, 112-113, 36 Sup. Ct. 278.....   | 256           |

|  |                              |
|--|------------------------------|
| State Tax on Foreign-Held Bonds, 15 Wall. 300 .....  | 29                           |
| State v. Carter, 27 N. J. L. 499 .....   | 98, 150, 155                 |
| State v. Chicago & C. R. Co. (165 No. 597) .....   | 168                          |
| State v. Noble, 90 N.M. 360, 563 P.2d 1153, 1157 .....   | 247                          |
| Stenberg v. Carhart, 530 U.S. 914 (2000) .....   | 137, 182, 200, 281, 286, 314 |
| Steward Machine Co. v. Davis, 301 U.S. 548 (1937) .....  | 305                          |
| Stockwell v. United States, 13 Wall. 531, 542 .....  | 215                          |
| Stone v. Mississippi, 101 U.S. 818.....  | 245, 271                     |
| Stone v. Myers, 9 Minn. 303 (Gil. 287, 294), 86 Am.Dec. 104 .....                                  | 232                          |
| Stratton's Independence v. Howbert, 231 U.S. 399, 415 .....  | 84, 101                      |
| Talbot v. Janson, 3 U.S. 133 (1795).....   | 70                           |
| Tappan v. Merchants' National Bank, 19 Wall. 490, 499.....   | 29                           |
| Taylor v. Philadelphia Board of Health (31 P. St. 73).....   | 167                          |
| Tenth Amendment.....   | 60, 249, 273                 |
| Testa v. Katt, 330 U.S. 386, 389-91 (1947).....  | 267                          |
| Texas v. White, 7 Wall. 700, 725 .....   | 89, 305, 306                 |
| The Chinese Exclusion Case, 130 U.S. 581, 604 , 606 S., 9 S.Ct. 623 .....                          | 251                          |
| The Chinese Exclusion Case, 130 U.S. 581, 604-05 (1889) .....                                      | 267                          |
| The Chinese Exclusion Case, 130 U.S. 581, 609 (1889).....  | 80, 146, 233                 |
| The Collector v. Day, 11 Wall. 113, 124.....   | 244                          |
| The Davis, 10 Wall. 15, 20.....  | 109                          |
| The Siren, 7 Wall. 152, 154.....   | 109                          |
| Thomson v. Crane (C.C.) 73 F. 327, 331 .....   | 232                          |
| Tot v. United States, 319 U.S. 463, 468-469, 63 S.Ct. 1241, 1245-1246, 87 L.Ed. 1519 (1943).....   | 275                          |
| Turner v. United States, 396 U.S. 398, 418-419, 90 S.Ct. 642, 653-654, 24 L.Ed.2d 610 (1970) ..... | 275                          |
| U. S. v. Clarke, 8 Pet. 436, 444 .....   | 109                          |
| U. S. v. Eckford, 6 Wall. 484, 488 .....   | 109                          |
| U. S. v. McLemore, 4 How. 286, 289 .....   | 109                          |
| U. S. v. O'Keefe, 11 Wall. 178 .....   | 109                          |
| U. S. v. Thompson, 98 U.S. 486 , 489.....  | 109                          |
| U.S. Fidelity & Guaranty Co. v. Centropolis Bank (C.C.A.) 17 F.(2d) 913, 916, 53 A.L.R. 295.....   | 232                          |
| U.S. v. Ambort, 193F3d1169 (1999).....   | 274                          |
| U.S. v. Ambort, 405 F3d 1109 (2005).....   | 274                          |
| U.S. v. Butler, 297 U.S. 1 (1936) .....  | 290, 303                     |
| U.S. v. Calamaro, 354 U.S. 351, 77 S.Ct. 1138 (U.S. 1957).....                                     | 40, 136                      |
| U.S. v. Cleveland Indians Baseball Co., 532 U.S. 200, 121 S.Ct. 1433 (2001) .....                  | 295                          |
| U.S. v. Cooper, 312 U.S. 600, 604, 61 SCt 742 (1941).....  | 238                          |
| U.S. v. Cruikshank, 92 U.S. 542, 1875 WL 17550 (U.S.,1875).....                                    | 53                           |
| U.S. v. Cruikshank, 92 U.S. 542, 550 (1876).....   | 267                          |
| U.S. v. Lee, 106 U.S. 196 (1882) .....   | 109                          |
| U.S. v. Lopez, 514 U.S. 549 (1995) .....   | 256, 305                     |
| U.S. v. Whiteridge, 231 U.S. 144, 34 S.Sup. Ct. 24 (1913) .....                                    | 84, 101                      |
| U.S. v. Wong Kim Ark, 169 U.S. 649, 18 S.Ct. 456, 42 L.Ed. 890 (1898).....                         | 97, 257, 258, 276            |
| Union Life Ins. Co. v. Glasscock, 270 Ky. 750, 110 S.W.2d 681, 686, 114 A. L. R. 373 .....         | 108                          |
| Union Refrigerator Transit Company v. Kentucky, 199 U.S. 194 (1905).....                           | 29                           |
| United States v. Bostwick, 94 U.S. 53, 66 (1877) .....   | 69                           |
| United States v. Chamberlin, 219 U.S. 250 , 31 S.Ct. 155.....                                      | 215                          |
| United States v. Cheek, 882 F.2d 1263, 1269, n. 2 (7th Cir.1989).....                              | 278                          |
| United States v. Collins, 920 F.2d 619, 629 (10th Cir. 1990) .....                                 | 266                          |
| United States v. Cooper Corporation, 312 U.S. 600 (1941).....                                      | 40, 67                       |
| United States v. Cruikshank, 92 U.S. 542 (1875).....   | 68                           |
| United States v. Cruikshank, 92 U.S. 542, 550 (1875).....  | 263                          |
| United States v. Curtiss-Wright Export Corporation, 299 U.S. 304 (1936) .....                      | 253, 270                     |
| United States v. Drefke, 707 F.2d 978, 981 (8th Cir. 1983).....                                    | 262                          |
| United States v. Guest, 383 U.S. 745 (1966).....   | 49, 83, 131, 163, 189, 263   |
| United States v. Hanson, 2 F.3d 942, 945 (9th Cir.1993).....                                       | 278                          |
| United States v. Harris, 106 U.S. 629, 639 (1883) .....  | 49, 131, 163, 189, 263       |

|  |                              |
|--|------------------------------|
| United States v. Horne, 714 F.2d 206 (1983).....   | 214                          |
| United States v. National Exchange Bank of Baltimore, 270 U.S. 527, 534 (1926) .....                   | 69                           |
| United States v. New York & Cuba Mail Steamship Co. (200 U. S. 488, 493, 494) .....                    | 167                          |
| United States v. Phellis, 257 U.S. 156, 169.....   | 84, 101                      |
| United States v. Reese, 92 U.S. 214, 218 (1876).....   | 49, 83, 131, 163, 189, 263   |
| United States v. Studley, 783 F.2d 934, 937 & n. 3 (9th Cir.1986).....                                 | 278                          |
| United States v. Supplee-Biddle Co., 265 U.S. 189, 194 .....   | 84, 101                      |
| United States v. Updegrave, 97-1 U.S. Tax Cas. (CCH) ¶ 50,465 (E.D. Pa. 1997) .....                    | 254                          |
| United States v. Ward, 833 F.2d 1538, 1539 (11th Cir. 1987) .....                                      | 256                          |
| United States v. Winstar Corp. 518 U.S. 839 (1996) .....   | 69                           |
| USA v. Ambort, 06-cv-00642 (2008).....   | 274                          |
| Van Brocklin v. State of Tennessee, 117 U.S. 151 (1886).....   | 42                           |
| Vaughan v. Riordan (280 Fed. 742, 745) .....   | 167                          |
| Virginia Concrete Co. v. Board of Sup'rs of Fairfax County, 197 Va. 821, 91 S.E.2d 415, 419 .....      | 116                          |
| Vlandis v. Kline (1973) 412 U.S. 441, 449, 93 S.Ct 2230, 2235 .....                                    | 71, 275                      |
| Vlandis v. Kline, 412 U.S. 441 (1973) .....  | 275                          |
| Wall v. Parrot Silver & Copper Co., 244 U.S. 407.....  | 116                          |
| Walter Briehl v. John Foster Dulles, 248 F.2d 561, 583 (1957).....                                     | 206                          |
| Ward, 833 F.2d at 1539.....  | 266                          |
| Warren v. San Francisco (150 Calif. 167).....  | 168                          |
| Washington v. Harper, 494 U.S. 210 (1990).....   | 93                           |
| Weiss v. Wiener, 279 U.S. 333 , 49 S.Ct. 337.....  | 55                           |
| Western Union Telegraph Co. v. Lenroot, 323 U.S. 490, 502 (1945).....                                  | 137, 182, 200, 281, 286, 314 |
| Whitbeck v. Minch (48 Ohio St. 210).....   | 168                          |
| Whitehouse v. Bolster, 95 Me. 458, 50 A. 240 .....   | 232                          |
| Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002.....                         | 29, 37, 72, 97, 288          |
| Williams v. Austrian, 331 U.S. 642, 652, 91 L. Ed. 1718, 67 S. Ct. 1443 (1947).....                    | 104                          |
| Williams v. Merritt (152 Mich. 621) .....  | 167, 168                     |
| Wilson v Shaw, 204 U.S. 24, 51 L.Ed. 351, 27 S.Ct. 233 .....   | 283                          |
| Wisconsin v. Pelican Insurance Co., 127 U.S. 265 , 292, et seq. 8 S.Ct. 1370 .....                     | 215                          |
| Wright v. Blakeslee (101 U. S. 174, 178).....  | 167                          |
| Yahoo! Inc. v. La Ligue Contre Le Racisme Et L'Antisemitisme, 433 F.3d 1199 (9th Cir. 01/12/2006)..... | 115, 159, 186                |
| Yeend v. Weeks, 104 Ala. 331, 341, 16 So. 165, 53 Am.St.Rep. 50 .....                                  | 232                          |
| Yick Wo v. Hopkins, 118 U.S. 356 (1886) .....  | 40, 60, 67, 89, 117, 231     |
| Yick Wo v. Hopkins, 118 U.S. 356, 369, 6 S. Sup. Ct. 1064, 1071 .....                                  | 110                          |

## Other Authorities

|  |                         |
|--|-------------------------|
| “Taxpayer” v. “Nontaxpayer”: Which one are You? .....  | 164                     |
| 1 Messages and Papers of the Presidents, p. 194.....   | 253                     |
| 1040 Booklet .....   | 217                     |
| 19 Corpus Juris Secundum (C.J.S.) legal encyclopedia, United States, §884 .....  | 87                      |
| 19 Corpus Juris Secundum Legal Encyclopedia, Corporations, §886.....   | 48                      |
| 19 Corpus Juris Secundum, Corporations, §883 .....   | 81                      |
| 19 Corpus Juris Secundum, Corporations, §886 .....   | 226                     |
| 2 Inst. 46-7 .....   | 226                     |
| 2002 Quick Reference Guide to Payroll Compliance.....  | 66                      |
| 2002 Quick Reference Guide to Payroll Compliance, Payroll Technical Support Services, Panel Publishers, a Division of Aspen Publishers, Inc, p. IV-54..... | 62, 64                  |
| 28 Corpus Juris Secundum, Domicile, §4 Domicile and Resident Distinguished.....  | 219                     |
| 28 Corpus Juris Secundum, Domicile, §5 Necessity and Number .....  | 219                     |
| 28 Corpus Juris Secundum, Domicile, §9 Domicile by Operation of Law .....  | 219                     |
| 2A N. Singer, Sutherland on Statutes and Statutory Construction § 47.07, p. 152, and n. 10 (5th ed. 1992) ...  | 137, 200, 281, 286, 314 |
| 44 Cong.Rec. 3344-3345.....  | 66                      |
| 5 Elliot's Debates, 212.1 .....  | 252                     |
| 81A Corpus Juris Secundum (C.J.S.) §29 .....   | 58, 261                 |

## Nonresident Alien Position

19 of 327



|  |  |
|--|--|
| 81A Corpus Juris Secundum (C.J.S.), United States, §29.....  | 184  |
| 86 C.J.S. [Corpus, Juris, Secundum, Legal Encyclopedia], Territories, §1.....  | 184, 316   |
| A Citizen's Guide to Using the Freedom of Information Act and the Privacy Act of 1974 to Request Government Records, Section VII.A, p. 24..... | 311  |
| A Detailed Study into the Meaning of the term "United States" found in the Internal Revenue Code .....   | 312  |
| A Treatise on the Law of Public Offices and Officers, Floyd Russell Mechem, 1890, pp. 3-4, §2 .....  | 83   |
| About IRS Form W-8BEN, Form #04.202.....   | 38, 79, 102, 134, 145, 159, 173, 175, 181, 184, 188, 192, 193, 198, 201, 206, 230, 279, 280, 285, 302, 310 |
| About SSNs and TINs on Government Forms and Correspondence, Form #04.104 .....   | 279  |
| About SSNs and TINs on Government Forms and Correspondence, Form #05.012 .....   | 174, 302   |
| About SSNs and TINs on Government Forms and Correspondence, Form #07.004 .....   | 174  |
| Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001 .....   | 73, 198, 201, 203, 278, 280, 281, 282, 298, 310  |
| AMENDED IRS Form W-8 .....   | 206  |
| AMENDED IRS Form W-8 or W-8 BEN .....  | 203  |
| Amended IRS Form W-8BEN .....  | 152  |
| AMENDED IRS Form W-8BEN .....  | 159, 181, 198, 203   |
| American Jurisprudence 2d, Duress, Section 21 .....  | 166, 169, 264  |
| American Jurisprudence 2d, United States, §45 .....  | 283  |
| American Payroll Association (APA) .....   | 64, 65   |
| An Investigation Into The Meaning of the Term "United States" .....  | 43   |
| Anderson's Manual for Notaries Public, Ninth Edition, 2001, ISBN 1-58360-357-3 .....   | 229  |
| Authorities on "State" .....   | 310  |
| Backup Withholding "B" Processes .....   | 199  |
| Black's Law Dictionary.....  | 231  |
| Black's Law Dictionary, Fifth Edition, p. 1252 .....   | 109  |
| Black's Law Dictionary, Fifth Edition, pp. 1086-1087 .....   | 116  |
| Black's Law Dictionary, Fifth Edition, pp. 1183-1185 .....   | 117  |
| Black's Law Dictionary, Fifth Edition, pp. 276-277 .....   | 113  |
| Black's Law Dictionary, Fourth Edition (1951), p. 1568.....  | 89   |
| Black's Law Dictionary, Fourth Edition, p. 395 .....   | 108  |
| Black's Law Dictionary, Revised Fourth Edition, 1968, p. 1176.....   | 47   |
| Black's Law Dictionary, Revised Fourth Edition, 1968, p. 740.....  | 47   |
| Black's Law Dictionary, Sixth Edition, p. 1189.....  | 274  |
| Black's Law Dictionary, Sixth Edition, p. 1216.....  | 111  |
| Black's Law Dictionary, Sixth Edition, p. 1230.....  | 63   |
| Black's Law Dictionary, Sixth Edition, p. 1498.....  | 70, 97, 152  |
| Black's Law Dictionary, Sixth Edition, p. 1536.....  | 247  |
| Black's Law Dictionary, Sixth Edition, p. 267.....   | 56, 119, 322   |
| Black's Law Dictionary, Sixth Edition, p. 269.....   | 98, 160, 303   |
| Black's Law Dictionary, Sixth Edition, p. 485.....   | 28, 68   |
| Black's Law Dictionary, Sixth Edition, p. 498.....   | 58, 261  |
| Black's Law Dictionary, Sixth Edition, p. 501.....   | 231  |
| Black's Law Dictionary, Sixth Edition, p. 581.....   | 137, 138, 182, 198, 200, 237, 279  |
| Black's Law Dictionary, Sixth Edition, p. 647.....   | 57, 90, 260  |
| Black's Law Dictionary, Sixth Edition, p. 648.....   | 57, 90, 260  |
| Black's Law Dictionary, Sixth Edition, p. 747.....   | 247  |
| Black's Law Dictionary, Sixth Edition, p. 763 (1990) .....   | 231  |
| Black's Law Dictionary, Sixth Edition, p. 773.....   | 99   |
| Black's Law Dictionary, Sixth Edition, p. 801.....   | 60   |
| Black's Law Dictionary, Sixth Edition, p. 581 .....  | 296  |
| Bouvier's Law Dictionary Unabridged, 8th Edition, pg. 2131.....  | 118  |
| Bouvier's Maxims of Law, 1856.....   | 41, 110, 140, 150, 301   |
| Certificate/Proof of Service, Form #01.002 .....   | 299  |
| Charlotte Bronte .....   | 241  |
| Citizenship, Domicile, and Tax Status Options, Form #10.003 .....  | 72, 278, 281   |
| Conflicts in a Nutshell, David D. Siegel and Patrick J. Borchers, West Publishing, p. 24.....  | 70   |
| Cooley on Taxation (vol. 2, 3d ed. p. 1495).....   | 168  |

|  |                             |
|--|-----------------------------|
| Cooperative Federalism, Form #05.034 .....   | 108, 312                    |
| Corpus Juris Secundum (legal encyclopedia), Territories, §1 .....  | 268                         |
| Corpus Juris Secundum Legal Encyclopedia, Volume 28, Domicile .....  | 70                          |
| Correcting Erroneous Information Returns, Form #04.001 .....   | 281, 283, 285, 302          |
| Correcting Erroneous IRS Form 1042's, Form #04.003 .....   | 204, 285                    |
| Correcting Erroneous IRS Form 1098's, Form #04.004 .....   | 204, 285                    |
| Correcting Erroneous IRS Form 1099's, Form #04.005 .....   | 204, 285                    |
| Correcting Erroneous IRS Form W-2's, Form #04.006 .....  | 204, 285                    |
| Corruption Within Modern Christianity, Form #08.012 .....  | 292                         |
| Daniel Webster .....   | 1                           |
| Defending Your Right to Travel, Form #06.010 .....   | 71, 228                     |
| Definitions-Words and Phrases pages 156-156.....   | 205                         |
| Delgation of Authority Order from God to Christians, Form #13.007 .....  | 34                          |
| Demand for Verified Evidence of "Trade or Business" Activity: Currency Transaction Report (CTR), Form #03.003 ...                                | 204                         |
| Demand for Verified Evidence of "Trade or Business" Activity: Information Return, Form #04.007 .....   | 198                         |
| Department of State Website .....  | 50                          |
| Dept. of Motor Vehicles .....  | 221                         |
| Dept. of State DS-11 Form .....  | 221                         |
| Developing Evidence of Citizenship and Sovereignty, Form #12.002 .....   | 212                         |
| Ernest Ambort .....  | 274                         |
| Example Letter to Attach to your IRS Form 1040NR or Substitute 1040NR .....  | 285                         |
| Executive Order 10289 .....  | 250, 270, 316               |
| Executive Order 12291 .....  | 106                         |
| Executive Order 12612 .....  | 104                         |
| Executive Order Nos. 12291 and 12498 .....   | 106                         |
| Family Constitution, Form #13.003 .....  | 92                          |
| Family Guardian Fellowship .....   | 308                         |
| Family Guardian Forums .....   | 202                         |
| Family Guardian Website, Taxation page .....   | 312                         |
| Federal and State Tax Withholding Options for Private Employers, Form #04.101 .....  | 188, 206                    |
| Federal and State Tax Withholding Options for Private Employers, Form #09.001 .....  | 203, 280, 282               |
| Federal Courts and IRS' own IRM Say IRS is NOT RESPONSIBLE for Its Actions or It's Words or For Following It's<br>Own Written Procedures .....   | 167                         |
| Federal Courts and the IRS' Own IRM Say IRS is NOT RESPONSIBLE for Its Actions or its Words or For Following Its<br>Own Written Procedures ..... | 201, 233                    |
| Federal Forms and Publications .....   | 310                         |
| Federal Forms and Publications: Family Guardian .....  | 298                         |
| Federal Nonresident Nonstatutory Claim for Return of Funds Unlawfully Paid to the Government-Long, Form #15.001170,<br>204, 275, 281, 284, 285   |                             |
| Federal Pleading/Motion/Petition Attachment, Litigation Tool #01.002 .....   | 171, 211, 281               |
| Federal Tax Withholding, Form #04.102 .....  | 188, 191, 202, 204          |
| Federal Thrift Savings Program (TSP) Pamphlet OC-96-21 .....   | 196                         |
| Federal Zone .....   | 289                         |
| Flawed Tax Arguments to Avoid, Form #08.004 .....  | 171, 172                    |
| Flawed Tax Arguments to Avoid, Form #08.004, Section 6.10 .....  | 299                         |
| Flawed Tax Arguments to Avoid, Form #08.004, Sections 5.1 and 8 .....  | 278, 281                    |
| Flawed Tax Arguments to Avoid, Form #08.004, Sections 5.8 and 5.9 .....  | 276                         |
| Form 1040NR .....  | 276                         |
| Form W-2 .....   | 62, 64                      |
| Form W-4 .....   | 261                         |
| Form W-7, W-9, or SS-5 .....   | 301                         |
| Forms W-2, 1042-s, 1098, and 1099 .....  | 132                         |
| Global Sovereign Handbook, Form #13.005 .....  | 42                          |
| Government Conspiracy to Destroy the Separation of Powers, Form #05.023 .....  | 72, 269, 308, 310           |
| Government Instituted Slavery Using Franchises, Form #05.030 .....   | 84, 152, 198, 290, 301, 303 |
| Great IRS Hoax, Form #11.302, Chapter 6 .....  | 84                          |
| Great IRS Hoax, Form #11.302, Section 4.11.2 .....   | 76                          |

|  |   |
|--|---|
| Great IRS Hoax, Form #11.302, Section 5.2.6.....   | 246   |
| Great IRS Hoax, Form #11.302, Section 5.6.8.....   | 237   |
| Great IRS Hoax, Form #11.302, Section 5.9.....   | 208   |
| Great IRS Hoax, Form #11.302, Section 6.10.1.....  | 44  |
| Great IRS Hoax, Form #11.302, Section 6.5.20.....  | 84  |
| Great IRS Hoax, Form #11.302, Sections 5.2.2 and 5.2.3.....  | 87  |
| How Scoundrels Corrupted Our Republican Form of Government.....  | 308   |
| How to Apply for a Passport as a “National”, Form #09.007.....   | 221   |
| How to Cook a Vulture.....   | 289   |
| I.R.M. 4.10.7.2.8 (05-14-1999).....  | 233   |
| Income Tax Withholding and Reporting Course, Form #12.004.....   | 188, 199, 202, 204  |
| Internal Revenue Manual.....   | 182   |
| Internal Revenue Manual, Section 4.10.7.2.8.....   | 201, 297  |
| Internal Revenue Manual, Section 5.17.2.3.2.....   | 183   |
| IRM 1.1.1.1.....   | 282, 298, 301   |
| IRM 1.1.1.1 (02-26-1999).....  | 157   |
| IRM 5.14.10.2 (09-30-2004).....  | 137, 188, 191   |
| IRS 1040 Booklet, Year 2001, p. 15.....  | 182   |
| IRS 1040 Instruction Booklet.....  | 160   |
| IRS 1040 Instruction Booklet, Year 2001, p. 15.....  | 160   |
| IRS Document 7130.....   | 160, 162, 163, 217, 264, 267  |
| IRS Due Process Meeting Handout, Form #03.008.....   | 189   |
| IRS Form 1040.....   | 38, 41, 55, 76, 100, 102, 134, 150, 160, 161, 163, 182, 217, 259, 264, 267, 275, 284, 306, 310, 324 |
| IRS Form 1040 instead of 1040NR.....   | 139   |
| IRS Form 1040 Instruction Booklet.....   | 182   |
| IRS Form 1040 plus 2555.....   | 76, 259   |
| IRS Form 1040NR.....   | 42, 76, 131, 134, 142, 259, 274, 276, 285   |
| IRS Form 1040X.....  | 275   |
| IRS Form 1042.....   | 189   |
| IRS Form 1042-s.....   | 134   |
| IRS Form 1042-S Instructions.....  | 178   |
| IRS Form 1042-S Instructions, p. 14.....   | 178   |
| IRS Form 1042s Instructions, Year 2006, p. 14.....   | 302   |
| IRS Form 1078.....   | 79, 142, 145, 146   |
| IRS Form 2848.....   | 289   |
| IRS Form 8822.....   | 184   |
| IRS Form 8840.....   | 142   |
| IRS Form SS-4 Application for an Employer Identification Number (EIN).....                               | 173   |
| IRS Form W-2.....  | 134   |
| IRS Form W-4.....  | 50, 134, 137, 138, 201, 325   |
| IRS Form W-4, Block 3.....   | 202   |
| IRS Form W-7.....  | 213   |
| IRS Form W-7 or W-9.....   | 183   |
| IRS Form W-8.....  | 243, 310  |
| IRS Form W-8 Instructions for Requester of Forms W-8BEN, W-8ECI, W-8EXp, and W-8IMF, Catalog 26698G..... | 152   |
| IRS Form W-8BEN.....   | 79, 102, 134, 138, 145, 159, 174, 181, 184, 188, 193, 201, 203, 206, 229, 310                       |
| IRS Form W-8BEN Amended.....   | 134   |
| IRS Form W-8BEN, block 3.....  | 79, 145   |
| IRS Form W-8BEN, Block 3.....  | 38  |
| IRS Form W-8EXP.....   | 97  |
| IRS Forms 1040 and 1040NR.....   | 132   |
| IRS Forms 1040 and 1040NR jurat/perjury statement.....   | 169   |
| IRS Forms W-2, 1042-s, 1098, 1099, and K-1.....  | 189   |
| IRS Forms W-2, 1042-s, 1098, and 1099.....   | 302   |
| IRS Humbug: IRS Weapons of Enslavement.....  | 66  |
| IRS Internal Revenue Manual.....   | 233   |
| IRS Pub. 519.....  | 142   |



|   |                                  |
|---|----------------------------------|
| IRS Publication 504, 2007, p. 3.....  | 284                              |
| IRS Publication 504, 2007, p. 6.....  | 202                              |
| IRS Publication 515 .....   | 189, 192                         |
| IRS Publication 515, year 2000, p. 3.....   | 198                              |
| IRS Publication 515: Withholding of Tax on Nonresident Aliens and Foreign Corporations .....  | 143                              |
| IRS Publication 519 .....   | 141, 206, 309, 310               |
| IRS Publication 519, Tax Guide for Aliens.....  | 206                              |
| IRS Publication 519, Year 2000, p. 26 .....   | 191                              |
| IRS Publication 519, Year 2005 .....  | 233                              |
| IRS Publication 519, Year 2005, p. 4.....   | 233                              |
| IRS Publication 519: Tax Guide for Aliens.....  | 143                              |
| IRS Publication 519: Tax Guide for Aliens, Year 2007, p. 43 .....   | 141                              |
| IRS Publications 515 .....  | 310                              |
| IRS Publications 515 and 519 .....  | 199                              |
| IRS Published Products Catalog for 2003, Document 7130.....   | 55                               |
| IRS Published Products Catalog, Year 2003, p. F-15.....   | 55, 160                          |
| Joe Izen.....   | 289                              |
| King Saul.....  | 33                               |
| Law of Nations, Vattel, p. 87 .....   | 234                              |
| Legal Basis for the Term “Nonresident Alien”, Form #05.036.....   | 43, 312                          |
| Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States, Form #10.001 72, 203, 237, 280, 299  |                                  |
| Legal Notice To Correct Fraudulent Tax Status, Reporting, and Withholding, Form #04.401.....  | 300                              |
| Legal Requirement to File Federal Income Tax Returns, Form #05.009 .....  | 182, 288                         |
| Legal Requirement to File Federal Income Tax Returns, Form #05.009, Section 8 .....   | 279                              |
| Letter of Disqualification .....  | 224                              |
| Liberty University .....  | 312                              |
| Litigation Tools Page .....   | 288                              |
| Lynn Meredith.....  | 289                              |
| Meaning of the Words “Includes” and “Including”, Form #05.014.....  | 200, 233, 306, 311               |
| Member Agreement, Form #01.001 .....  | 282                              |
| Minimum Contacts Doctrine .....   | 68, 171                          |
| Mitch Modeleski .....   | 289                              |
| Nehemiah 9:2-3.....   | 33                               |
| New Bible Dictionary. Third Edition. Wood, D. R. W., Wood, D. R. W., & Marshall, I. H. 1996, c1982, c1962.  |                                  |
| InterVarsity Press: Downers Grove.....  | 95                               |
| New Hire Paperwork Attachment, Form #04.203 .....   | 134, 202                         |
| Nonresident Alien Position, Form #05.020 .....  | 80, 146                          |
| Notice and Demand to Correct False IRS Form 1099-S, Form #04.403.....   | 300                              |
| NRA Withholding .....   | 189                              |
| Oath of Article III federal judges, according to the Administrative Office of the Federal Courts .....  | 322                              |
| OMB Circular No. A-19.....  | 106                              |
| Path to Freedom, Form #09.015 .....   | 280, 304                         |
| Path to Freedom, Form #09.015, Section 5 .....  | 237                              |
| Paul Andrew Mitchell .....  | 289                              |
| Paul Leinthall .....  | 289                              |
| President Theodore Roosevelt.....   | 87                               |
| President Theodore Roosevelt; Opening of the Jamestown Exposition; Norfolk, VA, April 26, 1907.....   | 87, 113, 292                     |
| Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction, Form #05.017 .. 113, 117, 157, 201, 276, 277, 291, 296                                       |                                  |
| Principles of Payroll Administration; 2004 Edition; Debra J. Salam, CPA & Lucy Key Price, CPP; RIA, 117 West Stevens Ave; Valhalla, NY 10595; ISBN 0-7913-5230-7..... | 65                               |
| Proof That There Is a “Straw Man”, Form #05.042 .....   | 82, 152                          |
| Pub 519, U.S. Tax Guide for Aliens.....   | 206                              |
| Quotes from Thomas Jefferson on Politics and Government.....  | 309                              |
| Reasonable Belief About Income Tax Liability, Form #05.007.....   | 73, 142, 201, 208, 275, 297, 312 |
| Rebutted Version of the IRS “The Truth About Frivolous Tax Arguments”, Form #08.005.....  | 167                              |

|  |   |
|--|---|
| Requirement for Consent, Form #05.003 .....  | 50, 191, 221, 251, 297, 310   |
| Resignation of Compelled Social Security Trustee, Form #06.002.....  | 117, 163, 205, 280  |
| Responding to a Criminal Tax Prosecution, Litigation Tool #10.004.....                                     | 288   |
| Retirement Account Permanent Amendment Notice, Form #04.217.....   | 300   |
| Rules of Presumption and Statutory Interpretation, Litigation Tool #10.006 .....                           | 278   |
| Rutter Group Practice Guide-Federal Civil Trials and Evidence, paragraph 8:4993, page 8K-34.....           | 71, 275   |
| Samuel.....  | 34  |
| Samuel Clemens (Mark Twain).....   | 307   |
| Scott Roberts .....  | 289, 290  |
| SECNAVINST 5510.30A .....  | 213   |
| SEDM Exhibit #05.041 .....   | 181   |
| SEDM Forms Page, Section 1.4: Tax Withholding and Reporting .....  | 202   |
| SEDM Forms/Pubs Page.....  | 298   |
| SEDM Jurisdictions Database, Litigation Tool #10.010.....  | 68, 69  |
| Senate Report 89-1708 .....  | 183   |
| Separation of Powers Doctrine.....   | 312   |
| Significance of Brushaber v. Union Pacific Railroad, 240 U.S. 1 (1916) .....                               | 43  |
| Social Security Administration, Program Operations Manual System (POMS).....                               | 176   |
| Social Security Administration, Program Operations Manual System (POMS), Section RS 02001.010.....         | 214   |
| Social Security Form SS-5 .....  | 162   |
| Social Security Program Operations Manual System (POMS), Section GN 00303.700.....                         | 176   |
| Sovereign Christian Marriage, Form #06.009 .....   | 92  |
| Sovereignty Forms and Instructions Manual, Form #10.005 .....  | 205, 206, 243   |
| Sovereignty Forms and Instructions Manual, Form #10.005, Section 3.5.5 .....                               | 205   |
| Sovereignty Forms and Instructions Online, Form #10.004.....   | 124, 312  |
| Sovereignty Forms and Instructions Online, Form #10.004, Cites by Topic .....                              | 77  |
| SSA Form SS-5 .....  | 50, 300   |
| Standard IRS Form W-8BEN.....  | 150, 198  |
| Steve Symms, U.S. Senator, Idaho.....  | 308   |
| Supreme Law Firm.....  | 289   |
| Tax Form Attachment, Form #04.201 .....  | 73, 151, 156, 170, 174, 276, 281, 282, 285, 298                     |
| Tax Fraud Prevention Manual, Form #06.008, Section 3.5.3.....  | 43  |
| Tax Withholding and Reporting: What the Law Says, Form #04.103 .....                                       | 188, 204  |
| The “Trade or Business” Scam, Form #05.001 .....   | 82, 132, 153, 175, 189, 198, 204, 228, 273, 275, 283, 288, 311, 322 |
| The American Form of Government, Liberty University Section 2.3 .....                                      | 292   |
| The Government “Benefits” Scam, Form #05.040.....  | 288, 293, 303   |
| The Law of Nations.....  | 92  |
| The Law of Nations, p. 87, E. De Vattel, Volume Three, 1758, Carnegie Institution of Washington .....      | 228   |
| The Money Scam, Form #05.041 .....   | 303   |
| The Payroll Source, 2002; American Payroll Association; Michael P. O'Toole, Esq.; ISBN 1-930471-24-6 ..... | 65  |
| The Tax Court Scam, Form #05.039 .....   | 302   |
| The Truth About Frivolous Tax Arguments.....   | 254   |
| The Unlimited Liability Universe .....   | 291   |
| Thomas Jefferson to Archibald Thweat, 1821. ME 15:307.....   | 309   |
| Thomas Jefferson to Charles Hammond, 1821. ME 15:332.....  | 308   |
| Thomas Jefferson to Gideon Granger, 1800. ME 10:168.....   | 309   |
| Thomas Jefferson to Nathaniel Macon, 1821. ME 15:341 .....   | 308   |
| Thomas Jefferson to William Branch Giles, 1825. ME 16:146.....   | 309   |
| Thomas Jefferson to William Johnson, 1823. ME 15:421 .....   | 309   |
| Thomas Jefferson to William Johnson, 1823. ME 15:450 .....   | 309   |
| Thomas Jefferson to William T. Barry, 1822. ME 15:388 .....  | 309   |
| Thomas Jefferson: 1st Inaugural, 1801. ME 3:320.....   | 297   |
| Treasury Decision 2313.....  | 43, 278   |
| Treasury Decision 3445.....  | 167, 168  |
| Treasury Decision 3980, Vol. 29, January-December, 1927, pgs. 64 and 65.....                               | 205   |
| Treasury Order 150-01 .....  | 250, 270  |
| Treasury Order 150-02 .....  | 156, 250, 270   |

|   |                        |
|---|------------------------|
| Treasury Order 150-02, SEDM Exhibit #04.014 .....   | 317                    |
| Treasury Orders 150-01 and 150-02.....  | 250                    |
| Treatise on Government, Joel Tiffany .....  | 118                    |
| Treatise on Government, Joel Tiffany, p. 49, Section 78 .....   | 53                     |
| U.S. Supreme Court .....  | 229                    |
| Union Pacific Railroad .....  | 43                     |
| USA Passport Application Attachment, Form #06.007.....  | 280                    |
| Vatt. Law Nat. pp. 92, 93 .....   | 71, 318, 320           |
| Vattel, ch. 16, sec. 199, book 1. See book 2, sec. 142, et seq.....   | 114                    |
| Vultures in Eagles Clothing .....   | 289                    |
| We the People.....  | 308                    |
| We The People .....   | 297                    |
| We The People Are The American Government, Nancy Levant .....   | 228                    |
| What Happened To Justice?, Form #06.012.....  | 307                    |
| Who are “Taxpayers” and Who Needs a “Taxpayer Identification Number”?, Form #05.013 .....   | 82, 152, 169, 178      |
| Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002 161, 170, 179, 199, 203, 215, 234, 236, 288, 311, 312 .....   |                        |
| Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002, Section 12 through 12.5.....   | 301                    |
| Why it is Illegal for Me to Request or Use a “Taxpayer Identification Number”, Form #04.205.....  | 151, 174, 198          |
| Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037 .....   | 40, 150, 152, 276, 303 |
| Why the Government Can’t Lawfully Assess Human Beings With an Income Tax Liability Without Their Consent, Form #05.011 .....  | 41, 285                |
| Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.00637, 61, 73, 80, 112, 140, 146, 176, 185, 257, 269, 286, 293, 310, 312 ..... |                        |
| Why Your Government is Either a Thief or You are a “Public Officer” for Income Tax Purposes, Form #05.00830, 40, 48, 55, 82, 152, 188, 236, 269 .....                             |                        |
| Will Rogers .....   | 64                     |
| Withholding of Tax on Nonresident Aliens and Foreign Corporations, IRS Pub. 515 .....   | 189                    |
| Your Exclusive Right to Declare or Establish Your Civil Status, Form #13.008.....   | 198, 230, 237, 299     |

## Scriptures

|                            |     |
|----------------------------|-----|
| 1 Cor. 13:4-7 .....        | 239 |
| 1 Cor. 6:19.....           | 34  |
| 1 Sam. 19.....             | 33  |
| 1 Sam. 8:4-8 .....         | 34  |
| 1 Sam. 9-19 .....          | 33  |
| 1 Tim. 5:18 .....          | 196 |
| 2 Chronicles .....         | 94  |
| 2 Corinthians 6:17-18..... | 304 |
| 2 Samuel 8, 10.....        | 94  |
| 2 Thess. 2:3-17 .....      | 296 |
| 2 Tim. 2:19 .....          | 304 |
| 3:12.....                  | 291 |
| Book of Acts .....         | 94  |
| Book of Judges .....       | 94  |
| Eccl. 1:18.....            | 294 |
| Eph. 5:11 .....            | 304 |
| Esther 3:8-9 .....         | 93  |
| Ex. 1 .....                | 94  |
| Exodus 18:20.....          | 157 |
| Exodus 20.....             | 97  |
| Exodus 20:3.....           | 33  |
| Exodus 22:21.....          | 91  |
| Exodus 23:32-33 .....      | 91  |
| Ezekial 20:10-20 .....     | 34  |
| Gal. 5:18.....             | 304 |



|   |               |
|---|---------------|
| Gen 26.....   | 94            |
| Gen. 2:17 .....   | 291           |
| Gen. 3 .....  | 291           |
| Gen. 3:13 .....   | 291           |
| Gen. 3:4.....   | 291           |
| Genesis 14, 20 .....  | 94            |
| Hebrews 11:9.....   | 31            |
| Holy Bible .....  | 34            |
| Hos. 12:7, 8 .....  | 156           |
| Hosea 4:6.....  | 157, 278      |
| Isaiah 30:1-3, 8-14.....  | 295           |
| Isaiah 33:22 .....  | 96            |
| Isaiah 42:21-25 .....   | 157           |
| James 1:27 .....  | 33            |
| James 1:5 .....   | 295           |
| James 3:16 .....  | 295           |
| James 5:1-6.....  | 197           |
| Jer. 22:13 .....  | 196           |
| John 11:10 .....  | 295           |
| John 14:6 .....   | 294           |
| John 15:18-25.....  | 94            |
| John 17:17 .....  | 294           |
| John 2:21 .....   | 34            |
| John 7:49 .....   | 200, 293      |
| John 8:32 .....   | 92            |
| Joshua 1:8-9 .....  | 157, 200, 293 |
| Laws of the Bible, Form #13.001.....  | 97, 295       |
| Lev. 10:9-11 .....  | 304           |
| Lev. 19:13 .....  | 197           |
| Leviticus 19:33.....  | 91            |
| Luke 16:13 .....  | 228           |
| Mark 3:35 .....   | 32            |
| Matt. 10:16-31.....   | 239           |
| Matt. 10:34-39.....   | 32            |
| Matt. 13:57 .....   | 33            |
| Matt. 17:24-27.....   | 36, 75, 149   |
| Matt. 7:12 .....  | 113           |
| Matt. 8:16-22.....  | 31, 32        |
| Matthew Henry's Commentary on the Whole Bible; Henry, M., 1996, c1991, under Prov. 11:1 ..... | 156           |
| Neh. 1:3.....   | 93            |
| Neh. 3:17-18.....   | 93            |
| Numbers 14:26-38.....   | 32            |
| Philippians 3:20.....   | 93, 97        |
| Prov. 1:7 .....   | 294           |
| Prov. 2:6 .....   | 294           |
| Prov. 20:14 .....   | 295           |
| Prov. 21:6 .....  | 156           |
| Prov. 22:3 .....  | 43            |
| Prov. 28:9 .....  | 200, 293      |
| Prov. 3:13-15.....  | 294           |
| Prov. 3:30 .....  | 297           |
| Prov. 3:5-6.....  | 296           |
| Prov. 8:12 .....  | 294           |
| Prov. 8:13 .....  | 294           |
| Psalms 119:142.....   | 294           |
| Psalms 119:160.....   | 294           |
| Psalms 119:155 .....  | 200, 294      |

|                        |                   |
|------------------------|-------------------|
| Psalms 47:7 .....      | 96                |
| Psalms 94:20-23 .....  | 295, 304          |
| Rev. 17:1-2.....       | 304               |
| Rev. 17:15 .....       | 98                |
| Rev. 17:1-6.....       | 98                |
| Rev. 19:19 .....       | 98, 237, 303, 304 |
| Revelation .....       | 116               |
| Revelation 19:19 ..... | 98, 116           |
| Rom. 7:4-6.....        | 34                |
| Romans 13:9-10 .....   | 297               |
| Ten Commandments ..... | 97                |
| The Golden Rule .....  | 113               |

# 1 Introduction

This memorandum of law describes the foundation of the approach towards taxation which is taken by Members of SEDM ministry called the Nonresident Alien Position. The Nonresident Alien Position describes the approach towards income taxation of those who insist on the separation of powers between the states and federal government that is the foundation of the United States Constitution and the foundation of the protection of our PRIVATE rights and liberties.

*"We start with first principles. The Constitution creates a Federal Government of enumerated powers. See U.S. Const., Art. I, 8. As James Madison wrote, "[t]he powers delegated by the proposed Constitution to the federal government are few and defined. Those which are to remain in the State governments are numerous and indefinite." The Federalist No. 45, pp. 292-293 (C. Rossiter ed. 1961). **This constitutionally mandated division of authority "was adopted by the Framers to ensure protection of our fundamental liberties."** Gregory v. Ashcroft, 501 U.S. 452, 458 (1991) (internal quotation marks omitted). **"Just as the separation and independence of the coordinate branches of the Federal Government serves to prevent the accumulation of excessive power in any one branch, a healthy balance of power between the States and the Federal Government will reduce the risk of tyranny and abuse from either front."** Ibid. [U.S. v. Lopez, 514 U.S. 549 (1995)]*

The term "Nonresident Alien Position" is a term we developed. We have not seen it mentioned anywhere else, but we wanted to give it a name so that people can refer to it. The position might more appropriately be called simply the "Nonresident Position" because we don't mean to imply that those who employ it are, in fact, Constitutional "aliens" in relation to the federal government at all. Instead, they are:

1. Statutory status under federal law:
  - 1.1. "nationals" or "state nationals" under 8 U.S.C. §1101(a)(21).
  - 1.2. "non-citizen nationals" under 8 U.S.C. §1452.
  - 1.3. Not statutory "citizens of the United States" under 8 U.S.C. §1401.
  - 1.4. NOT "nationals of the United States\*\*" under either 8 U.S.C. §1101(a)(22) or 8 U.S.C. §1408.
  - 1.5. "aliens" relative to the legislative/statutory jurisdiction of the national and not federal government as defined in 8 U.S.C. §1101(a)(3) . Statutory but not Constitutional alienage is a result of the separation of powers between the state and federal governments.
2. Constitutional status:
  - 2.1. "citizens of the United States" per the Fourteenth Amendment.
  - 2.2. Not "aliens"

The nonresident alien position is easier and simpler to defend than most other arguments about taxation. It revolves around the following simple concepts:

1. Tax liability originates from one's choice of legal domicile and the obligation to pay for "protection" that attaches to that domicile:

***"domicile.** A person's legal home. That place where a man has his true, fixed, and **permanent home** and principal establishment, and to which whenever he is absent he has **the intention of** returning. Smith v. Smith, 206 Pa.Super. 310m 213 A.2d 94. Generally, physical presence within a state and **the intention** to make it one's home are the requisites of establishing a "domicile" therein. The permanent residence of a person or the place to which he **intends to** return even though he may actually reside elsewhere. A person may have more than one residence but only one domicile. **The legal domicile of a person is important since it, rather than the actual residence, often controls the jurisdiction of the taxing authorities and determines where a person may exercise the privilege of voting and other legal rights and privileges.**" [Black's Law Dictionary, Sixth Edition, p. 485]*

***"Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes. Since the Fourteenth Amendment makes one a citizen of the state wherein he resides, **the fact of residence creates universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter obviously includes a duty to pay taxes, and their nature and measure is largely a political matter.**** Of course, the situs of property may tax it regardless of the citizenship, domicile, or residence of the owner, the most obvious illustration being a tax on realty laid by the state in which the realty is located."* [Miller Brothers Co. v. Maryland, 347 U.S. 340 (1954)]

2. Domicile is not just where you LIVE, but where you WANT TO LIVE and where you CONSENT TO LIVE AND BE



PROTECTED. No one can dictate what you consent to and therefore no one can lawfully choose you domicile and therefore the place where you are a “taxpayer” EXCEPT you. See:

Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

3. In America, there are TWO separate and distinct jurisdictions one may have a domicile within, and only one of the two is subject to federal income taxation:

- 3.1. Federal territory. Called the “United States” in federal statutes.  
3.2. States of the Union. Foreign states not subject to federal jurisdiction.

*“It is clear that Congress, as a legislative body, exercise two species of legislative power: the one, limited as to its objects, but extending all over the Union: the other, an absolute, exclusive legislative power over the District of Columbia. The preliminary inquiry in the case now before the Court, is, by virtue of which of these authorities was the law in question passed?”*  
*[Cohens v. Virginia,, 19 U.S. 264, 6 Wheat. 265; 5 L.Ed. 257 (1821)]*

4. Those without a domicile on federal territory and therefore not subject to federal statutory civil law or income taxation are called:

- 4.1. “nonresidents”  
4.2. “transient foreigners”.  
4.3. “sojourners”.

5. The U.S. Supreme Court has, in fact, held that those WITHOUT a domicile within a jurisdiction and who are therefore nonresidents and who become the target of tax enforcement by a jurisdiction that they are not domiciled within are the victims of EXTORTION, and possibly even crime:

*“The power of taxation, indispensable to the existence of every civilized government, is exercised upon the assumption of an equivalent rendered to the taxpayer in the protection of his person and property, in adding to the value of such property, or in the creation and maintenance of public conveniences in which he shares -- such, for instance, as roads, bridges, sidewalks, pavements, and schools for the education of his children. If the taxing power be in no position to render these services, or otherwise to benefit the person or property taxed, and such property be wholly within the taxing power of another state, to which it may be said to owe an allegiance, and to which it looks for protection, the taxation of such property within the domicil of the owner partakes rather of the nature of an extortion than a tax, and has been repeatedly held by this Court to be beyond the power of the legislature, and a taking of property without due process of law. Railroad Company v. Jackson, 7 Wall. 262; State Tax on Foreign-Held Bonds, 15 Wall. 300; Tappan v. Merchants' National Bank, 19 Wall. 490, 499; Delaware &c. R. Co. v. Pennsylvania, 198 U.S. 341, 358. In Chicago &c. R. Co. v. Chicago, 166 U.S. 226, it was held, after full consideration, that the taking of private property [199 U.S. 203] without compensation was a denial of due process within the Fourteenth Amendment. See also Davidson v. New Orleans, 96 U.S. 97, 102; Missouri Pacific Railway v. Nebraska, 164 U.S. 403, 417; Mt. Hope Cemetery v. Boston, 158 Mass. 509, 519.”*

*[Union Refrigerator Transit Company v. Kentucky, 199 U.S. 194 (1905)]*

6. The “United States” is defined in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d) to mean federal territory that is no part of the exclusive jurisdiction of any constitutional state of the Union. “U.S.” in all IRS publications therefore means the “District of Columbia”. We also say that this area, the District of Columbia, is part of the “federal United States” or the “federal zone” throughout this book.
7. States of the Union are “foreign” with respect to federal legislative jurisdiction for the vast majority of subject matters, including taxation. Federal jurisdiction within states of the Union is limited to:
- 7.1. Postal fraud. See Article 1, Section 8, Clause 7 of the U.S. Constitution..  
7.2. Counterfeiting under Article 1, Section 8, Clause 6 of the U.S. Constitution.  
7.3. Treason under Article 4, Section 2, Clause 3 of the U.S. Constitution.  
7.4. Interstate commercial crimes under Article 1, Section 8, Clause 3 of the U.S. Constitution.  
7.5. Jurisdiction over aliens everywhere, including in states of the Union. See Chae Chan Ping v. U.S., 130 U.S. 581 (1889), Kleindienst v. Mandel, 408 U.S. 753 (1972), and section 23.1.2 later. This source of jurisdiction is the reason that all “taxpayers” are aliens and not “citizens”. See 26 CFR §1.1441-1(c)(3).  
7.6. Slavery, involuntary servitude, or peonage under the Thirteenth Amendment, 42 U.S.C. §1994, 18 U.S.C. §1581, and 18 U.S.C. §1589(3).

*“Other authorities to the same effect might be cited. It is not open to doubt that Congress may enforce the Thirteenth Amendment by direct legislation, punishing the holding of a person in slavery or in involuntary servitude except as a punishment for a crime. In the exercise of that power Congress has enacted these sections denouncing peonage, and punishing one who holds another in that condition of involuntary servitude. This legislation is not limited to the territories or other parts of the strictly national domain,*

but is operative in the states and wherever the sovereignty of the United States extends. We entertain no doubt of the validity of this legislation, or of its applicability to the case of any person holding another in a state of peonage, and this whether there be municipal ordinance or state law sanctioning such holding. It operates directly on every citizen of the Republic, wherever his residence may be."  
[Clyatt v. U.S., 197 U.S. 207 (1905)]

8. The Internal Revenue Code describes actually two separate excise taxes for two mutually exclusive legislative jurisdictions:
  - 8.1. A municipal tax upon citizens and residents (aliens) of federal territory (the statutory but not constitutional "United States") under Subtitles A, B, and C.
  - 8.2. An income tax upon foreign commerce within states of the Union under Subtitle D.
9. Anyone who is neither a statutory "U.S. citizen" (domiciled in the District of Columbia or a U.S. territory and born in any state of the Union or federal territory) pursuant to 8 U.S.C. §1401 or a resident (alien) domiciled in the District of Columbia pursuant to 26 U.S.C. §7701(b)(1)(A) is a "nonresident alien" under the I.R.C.
10. Those who are "nonresident aliens" are "nonresident" and therefore not within the legislative jurisdiction of almost all federal law and are "nontaxpayers" under the Internal Revenue Code, Subtitle A in most cases. Pursuant to [26 U.S.C. §871](#), the only thing they have to pay income taxes on are earnings from the District of Columbia ("United States" government), such as:
  - 10.1. Social security benefits.
  - 10.2. Distributions from Foreign Sales Corporations (FSCs) registered within the District of Columbia.
  - 10.3. Earnings from investments and real property on federal territory.
11. Important facts about "nonresidents":
  - 11.1. Those born within and domiciled within a state of the Union are:
    - 11.1.1. "nationals" pursuant to 8 U.S.C. §1101(a)(21).
    - 11.1.2. "non-citizen nationals" per 8 U.S.C. §1452.
    - 11.1.3. Not statutory "U.S. citizens" or "citizens" under 8 U.S.C. §1401 or any provision of the the Internal Revenue Code.
    - 11.1.4. "nonresident aliens" but not "individuals" or "nonresident alien individuals".
  - 11.2. "Nonresident aliens" are a subset of "aliens".
12. All "taxpayers" within the I.R.C. are "aliens" engaged in a "trade or business", meaning a "public office" in the U.S. government pursuant to 26 U.S.C. §7701(a)(26).
  - 12.1. The term "individual" does not include "citizens" or "nationals" pursuant to 26 CFR §1.1441-1(c)(3).
  - 12.2. Statutory "U.S. citizens" can be "taxpayers" only in the case where they are abroad pursuant to 26 U.S.C. §911(d)(3) and avail themselves of the benefits of a tax treaty with the foreign country they are in. In that capacity, they interface to the foreign country as an "alien" and therefore a "taxpayer" and an "individual". That is why both "citizens" and "residents" are grouped together under 26 U.S.C. §911: Because they are both aliens when abroad in relation to the country they are in.
  - 12.3. It is unlawful for aliens to engage in a public office in the government. Therefore, it is technically an impossibility to be a "taxpayer". This is an unavoidable consequence of the fact that the income tax is a public officer kickback program disguised to look like a legitimate income tax to fool everyone.

#### 4. Lack of Citizenship

*§74. Aliens can not hold Office. -- It is a general principle that an alien can not hold a public office. In all independent popular governments, as is said by Chief Justice Dixon of Wisconsin, "it is an acknowledged principle, which lies at the very foundation, and the enforcement of which needs neither the aid of statutory nor constitutional enactments or restrictions, that the government is instituted by the citizens for their liberty and protection, and that it is to be administered, and its powers and functions exercised only by them and through their agency."*

*In accordance with this principle it is held that an alien can not hold the office of sheriff.<sup>[2]</sup>  
[A Treatise on the Law of Public Offices and Officers, Floyd Russell Mechem, 1890, p. 27, §74;  
SOURCE: <http://books.google.com/books?id=g-I9AAAAIAAJ&printsec=titlepage>]*

See:

<http://sedm.org/Forms/FormIndex.htm>  
*Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes, Form #05.008*

Americans domiciled in nonfederal areas of the 50 Union states are nonresidents but not aliens with respect to the Internal Revenue Code and the [federal] "United States". By "Americans", we mean people born anywhere in the American Union

1 in either a state of the Union or federal territory or people from foreign countries who are naturalized to become Americans.  
2 These Americans have no “U.S.” (government) source income unless they work for the U.S. government or are engaged in  
3 a “public office” or have investments within federal territory called the “United States”. Whether you are a “nonresident”  
4 is determined by your place of domicile, not your place of birth. One becomes a “resident” under the I.R.C. by having a  
5 domicile on federal territory that is no part of the exclusive jurisdiction of any state of the Union.

**QUESTION FOR DOUBTERS:** If you disagree and think that “United States” includes places *other than* federal territory, then please explain why 26 CFR §1.932-1(a)(1) says the following, which contradicts such a conclusion. Why would people who live in a “U.S. possession” be treated as nonresident aliens instead of residents, if they lived in the “United States”? Why would this section even be necessary because if you were right, they would be “residents” instead of “nonresident aliens”?:

[Code of Federal Regulations]  
[Title 26, Volume 10]  
[Revised as of April 1, 2004]  
From the U.S. Government Printing Office via GPO Access  
[CITE: 26CFR1.932-1]

Status of citizens of U.S. possessions

*“(a)(1) A citizen of a possession of the United States (except Puerto Rico and, for taxable years beginning after December 31, 1972, Guam), who is not otherwise a citizen or resident of the United States, including only the States and the District of Columbia, is treated for the purpose of the taxes imposed by Subtitle A of the Code (relating to income taxes) as if he were a nonresident alien individual.”*

Also explain why after the above was posted on the Family Guardian website in 2005, this regulation mysteriously disappeared from the Government Printing Office website and was replaced with a temporary regulation that didn’t tell the truth so plainly. The current version of the above regulation does not contain this language because the government wants to hide the truth from you about your true status.

## 6 **2 Biblical Basis for the Nonresident Alien Position (NRAP)**

7 The Nonresident Alien Position has extensive biblical foundations and qualifies as a “religious practice”. The Bible  
8 identifies “nonresident aliens” as “strangers”, “pilgrims”, or “foreigners”. Most major figures in the Bible who were in fact  
9 following God’s holy calling and acting out of obedience to His commands were asked by God to abandon a comfortable  
10 and complacent life to enter a foreign country and be strangers and foreigners there. These include:

- 11 1. Believers. In Eph. 2:19-22, Paul emphasizes that when we profess faith in God, we transition from being “foreign” to  
12 “domestic” in relation to Him and the Kingdom of Heaven. This implies that everyone who does NOT believe in God  
13 or obey his Commandments REMAINS a “foreigner”, “stranger”, and/or “alien”:

14 *“Now, therefore, **you are no longer strangers and foreigners, but fellow citizens with the saints and members***  
15 ***of the household of God,** 20 having been built on the foundation of the apostles and prophets, Jesus Christ*  
16 *Himself being the chief cornerstone, 21 in whom the whole building, being fitted together, grows into a holy*  
17 *temple in the Lord, 22 in whom you also are being built together for a dwelling place of God in the Spirit.”*  
18 [Eph. 2:19-22, Bible, NKJV]

- 19 2. Abraham. Hebrews 11:9. Abraham was called by God to pursue His promise by leaving a comfortable and rich life in  
20 Ur (now Iraq) and enter

21 *“By faith he **dwelt in the land of promise as in a foreign country,** dwelling in tents with Isaac and Jacob, the*  
22 *heirs with him of the same promise;”*  
23 [Hebrews 11:9, Bible, NKJV]

- 24 3. Jesus.  
25 3.1. Matt. 8:16-22. When one of Christ’s followers offered to become a disciple and follow Jesus, he was warned that  
26 the cost of discipleship was that he would “have no place to lay his head”, meaning that he would have no  
27 domicile or home anywhere and therefore would be a “foreigner”, “stranger”, or “stateless person” everywhere  
28 with no political or legal bonds to any ruler or government. This, in fact, was the only way to ensure that the  
29 disciples could in fact speak truthfully and objectively and fearlessly to everyone about God: If they had nothing  
30 to lose.



1                   The Cost of Discipleship

2                   18 And when Jesus saw great multitudes about Him, He gave a command to depart to the other side. 19 Then a  
3                   certain scribe came and said to Him, "Teacher, **I will follow You wherever You go.**"

4                   20 And Jesus said to him, "**Foxes have holes and birds of the air have nests, but the Son of Man has nowhere**  
5                   **to lay His head.**"

6                   21 Then another of His disciples said to Him, "Lord, let me first go and bury my father."

7                   22 But Jesus said to him, "Follow Me, and let the dead bury their own dead."  
8                   [Matt. 8:16-22, Bible, NKJV]

9                   3.2. Matt. 10:34-39. Christ said he came to bring division between believers and unbelievers, even within families.  
10                  Those who are divided against each other are "foreign" or "alien" in relation to each other. To "take up the cross"  
11                  is to become alien and foreign to all other causes, to profess exclusive allegiance to God even to the point of  
12                  considering love and allegiance to family members subordinate and even unnecessary.

13                  Christ Brings Division

14                  34 "**Do not think that I came to bring peace on earth. I did not come to bring peace but a sword.** 35 For I  
15                  have come to 'set a man against his father, a daughter against her mother, and a daughter-in-law against her  
16                  mother-in-law'; 36 and 'a man's enemies will be those of his own household.'[e] 37 He who loves father or  
17                  mother more than Me is not worthy of Me. And he who loves son or daughter more than Me is not worthy of  
18                  Me. 38 And he who does not take his cross and follow after Me is not worthy of Me. 39 He who finds his life will  
19                  lose it, and he who loses his life for My sake will find it.  
20                  [Matt. 10:34-39, Bible, NKJV]

21  

---

22                  3.3. Mark 3:35. Jesus said that the only members of His family are those who DO His commandments and not just talk  
23                  about them. Hence, all those who aren't Christians and who don't regard the Bible as a law book automatically  
24                  become "foreigners" and "aliens".

25                  "For whoever does the will of God is My brother and My sister and mother."  
26                  [Jesus, in Mark 3:35, NKJV]

27                  4. Moses. When God called Moses to rescue the Israelites from bondage to Pharoah, He led them to a foreign land where  
28                  they were and remained strangers and nomads to wander in the desert 40 years before not they but their progeny would  
29                  eventually find a home. He proclaimed that their exile was a punishment for their disobedience and rebellion, and that  
30                  they wouldn't have a home or a new land they could call a domicile until all the old guard socialists died off and the  
31                  next generation was taught obedience to God's laws.

32                  Death Sentence on the Rebels

33                  26 And the LORD spoke to Moses and Aaron, saying, 27 "**How long shall I bear with this evil congregation**  
34                  **who complain against Me? I have heard the complaints which the children of Israel make against Me. 28**  
35                  **Say to them, 'As I live,' says the LORD, 'just as you have spoken in My hearing, so I will do to you: 29 The**  
36                  **carcasses of you who have complained against Me shall fall in this wilderness, all of you who were**  
37                  **numbered, according to your entire number, from twenty years old and above,** 30 Except for Caleb the son of  
38                  Jephunneh and Joshua the son of Nun, you shall by no means enter the land which I swore I would make you  
39                  dwell in. 31 **But your little ones, whom you said would be victims, I will bring in, and they shall know the**  
40                  **land which you have despised.** 32 But as for you, your carcasses shall fall in this wilderness. 33 **And your sons**  
41                  **shall be shepherds in the wilderness forty years, and bear the brunt of your infidelity, until your carcasses**  
42                  **are consumed in the wilderness.** 34 **According to the number of the days in which you spied out the land,**  
43                  **forty days, for each day you shall bear your guilt one year, namely forty years, and you shall know My**  
44                  **rejection.** 35 I the LORD have spoken this. I will surely do so to all this evil congregation who are gathered  
45                  together against Me. In this wilderness they shall be consumed, and there they shall die."

46                  36 Now the men whom Moses sent to spy out the land, who returned and made all the congregation complain  
47                  against him by bringing a bad report of the land, 37 those very men who brought the evil report about the land,  
48                  died by the plague before the LORD. 38 But Joshua the son of Nun and Caleb the son of Jephunneh remained  
49                  alive, of the men who went to spy out the land.  
50                  [Numbers 14:26-38, Bible, NKJV]

5. The Israelites who built the wall in the book of Nehemiah. When they felt convicted because of their sin in marrying foreigners and foreign wives, they repented, built their own city, and formed their own foreign government because the one ruling where they were was not obedient to God's laws. Separating oneself from foreigners means, literally becoming a "foreigner", "stranger", or "transient foreigner" from a legal perspective.

*"Then those of Israelite lineage **separated themselves from all foreigners; and they stood and confessed their sins and the iniquities of their fathers.**"<sup>3</sup> And they stood up in their place and read from the Book of the Law of the LORD their God for one-fourth of the day; and for another fourth they confessed and worshiped the LORD their God.  
[Nehemiah 9:2-3, Bible, NKJV]*

6. The Prophets. This includes Daniel, Ezekial, Elijah, etc. All of them were scorned and without honor in their own households and therefore "alien" and "foreign" in relation to their own relatives:

*"So they were offended at Him.  
But Jesus said to them, **"A prophet is not without honor except in his own country and in his own house."**  
[Matt. 13:57, Bible, NKJV]*

7. King David.

7.1. 1 Sam. 9-19. After King Saul was elected as Israel's first King in violation of God's desires and wishes, the Israelites offended God by electing a King who did not obey the Lord. David did not agree with Saul's actions and made Saul look bad and made Saul jealous of him. Eventually, David had to flee from the king, hide in caves to avoid the pagan King Saul's wrath. David therefore became a "foreigner" and a "stranger" in relation to the pagan government of his time so that he could avoid offending God and be obedient to God. 1 Sam. 19.  
7.2. Psalms 69:8-9. David in the Psalms revealed his basis for fleeing Saul by saying the following:

*I have become a stranger to my brothers,  
And an alien to my mother's children;  
Because zeal for Your house has eaten me up,  
And the reproaches of those who reproach You have fallen on me.  
[Psalms 69:8-9, Bible, NKJV]*

The Bible also commands followers and Christians to remain separate and sanctified in relation to the sinful governments and entanglements of the world. From a legal perspective, that means we must become "foreigners", "strangers", "transient foreigners", and "aliens". Here are just a few examples, and there are many more where these came from:

*"Pure and undefiled religion before God and the Father is this: to visit orphans and widows in their trouble, and to **keep oneself unspotted [foreign] from the world [the obligations and concerns of the world].**"  
[James 1:27, Bible, NKJV]*

*"Do you not know that friendship with the world is enmity with God? Whoever therefore wants to be a friend [ "**citizen**", "**resident**", "**taxpayer**", "**inhabitant**", or "subject" under a king or political ruler] of the world [or any man-made kingdom other than God's Kingdom] makes himself an enemy of God. "  
[James 4:4, Bible, NKJV]*

*"You shall make no covenant [contract or franchise] with them [foreigners, pagans], nor with their [pagan government] gods [laws or judges]. They shall not dwell in your land [and you shall not dwell in theirs **by becoming a "resident" in the process of contracting with them**], lest they make you sin against Me [God]. For if you serve their gods [under **contract or agreement or franchise**], it will surely be a snare to you."  
[Exodus 23:32-33, Bible, NKJV]*

*"You shall have no other gods [including political rulers, governments, or Earthly laws] before Me [or **My commandments**]."  
[Exodus 20:3, Bible, NKJV]*

1 "Then all the elders of Israel gathered together and came to Samuel [the priest in a Theocracy] at Ramah, and  
2 said to him, 'Look, you [the priest within a theocracy] are old, and your sons do not walk in your ways. Now  
3 make us a king [or political ruler] to judge us like all the nations [and be OVER them]'.

4 "But the thing displeased Samuel when they said, 'Give us a king [or political ruler] to judge us.' So Samuel  
5 prayed to the Lord. And the Lord said to Samuel, 'Heed the voice of the people in all that they say to you; for  
6 they have rejected Me [God], that I should not reign over them. According to all the works which they have  
7 done since the day that I brought them up out of Egypt, even to this day—with which they have forsaken Me  
8 [God as their ONLY King, Lawgiver, and Judge] and served other gods—so they are doing to you also  
9 [government or political rulers becoming the object of idolatry]."  
10 [1 Sam. 8:4-8, Bible, NKJV]

11  
12 "Do not walk in the statutes of your fathers [the heathens], nor observe their judgments, nor defile yourselves  
13 with their [pagan government] idols. I am the LORD your God: Walk in My statutes, keep My judgments, and  
14 do them; hallow My Sabbaths, and they will be a sign between Me and you, that you may know that I am the  
15 LORD your God."  
16 [Ezekial 20:10-20, Bible, NKJV]

17  
18 "Therefore, my brethren, you also have become dead to the law [man's law] through the body of Christ [by  
19 shifting your legal domicile to the God's Kingdom], that you may be married to another—to Him who was  
20 raised from the dead, that we should bear fruit [as agents, fiduciaries, and trustees] to God. For when we were  
21 in the flesh, the sinful passions which were aroused by the law were at work in our members to bear fruit to  
22 death. But now we have been delivered from the law, having died to what we were held by, so that we should  
23 serve in the newness of the Spirit [and newness of the law, God's law] and not in the oldness of the letter."  
24 [Rom. 7:4-6, Bible, NKJV]

25 Based on the content of this section:

- 26 1. The NRA Position is a religious practice within the meaning of the Bible and the Religious Freedom Restoration Act,  
27 42 U.S.C. Chapter 21B.
- 28 2. The First Amendment prohibits interference with religious practices of those protected by the Constitution.
- 29 3. Those who are nonresidents in relation to the federal United States but who are physically present on land protected by  
30 the Constitution cannot be compelled to declare or accept the obligations of any status other than that of a nonresident.
- 31 4. Any attempt to enforce any other status, obligation, or "public right" against nonresident aliens who have no authority  
32 to contract with the Beast and therefore to participate in government franchises constitutes:
  - 33 4.1. Conspiracy against rights in violation of 18 U.S.C. §241.
  - 34 4.2. Peonage and involuntary servitude to pay off government debts in violation of the Thirteenth Amendment, 42  
35 U.S.C. 1994, and 18 U.S.C. §1581.
  - 36 4.3. Destruction of PRIVATE religious property. 18 U.S.C. §247.
  - 37 4.4. Interference in the affairs of a temple and a church. The Bible identifies our body as God's temple. John 2:21, 1  
38 Cor. 6:19.
  - 39 4.5. A breach of the Holy Bible trust indenture, which makes all Christians into God's fiduciaries, trustees, and agents  
40 24 hours a day, 7 days a week. Governments are created to protect your right to contract and interfering with  
41 this trust contract undermines the purpose of their creation. See:

|  |
|--|
| <p><u>Delegation of Authority Order from God to Christians</u>, Form #13.007<br/><a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p> |
|--|

### 42 **3 "Nonresident Alien" Defined And Explained**

43 The table below provides a succinct summary of citizenship status v. tax status:



1 **Table 1: “Citizenship status” vs. “Income tax status”**

| #   | Citizenship status   | Place of birth      | Domicile  | Accepting tax treaty benefits? | Defined in   | Tax Status under 26 U.S.C./Internal Revenue Code  |  |   |   |
|-----|--|---------------------|---|--------------------------------|--|---|--|---|---|
|     |  |                     |   |                                |  | “Citizen”<br>(defined in 26 CFR 1.1-1)  | “Resident alien”<br>(defined in 26 U.S.C. §7701(b)(1)(A), 26 CFR §1.1441-1(c)(3)(i) and 26 CFR §1.1-1(a)(2)(ii)) | “Nonresident alien INDIVIDUAL”<br>(defined in 26 CFR §1.1441-1(c)(3)) | “Nonresident alien NON-individual”<br>(defined in 26 U.S.C. §7701(b)(1)(B)) |
| 1   | “U.S. citizen” or “Statutory U.S. citizen”                                   | Anywhere in America | District of Columbia, Puerto Rico, Guam, Virgin Islands                                     | NA                             | 8 U.S.C. §1401; 8 U.S.C. §1101(a)(22)(A);  | Yes (only pay income tax abroad with IRS Forms 1040/2555. See Cook v. Tait, 265 U.S. 47 (1924)) | No   | No  | No  |
| 2   | “U.S. national”  | Anywhere in America | American Samoa; Swain’s Island; or abroad to U.S. national parents under 8 U.S.C. §1408(2)  | NA                             | 8 U.S.C. §1408; 8 U.S.C. §1101(a)(22)(B); 8 U.S.C. §1452                                     | No (see 26 U.S.C. §7701(b)(1)(B))   | No   | Yes (see IRS Form 1040NR for proof)                                   | No  |
| 3.1 | “national” or “state national” or “Constitutional but not statutory citizen” | Anywhere in America | State of the Union  | NA (ACTA agreement)            | 8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1 8 U.S.C. §1101(a)(3) | No  | No   | No  | Yes   |
| 3.2 | “national” or “state national” or “Constitutional but not statutory citizen” | Anywhere in America | Foreign country   | Yes                            | 8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1 8 U.S.C. §1101(a)(3) | No  | No   | Yes   | No  |
| 3.3 | “national” or “state national” or “Constitutional but not statutory citizen” | Anywhere in America | Foreign country   | No                             | 8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1 8 U.S.C. §1101(a)(3) | No  | No   | No  | Yes   |
| 4.1 | “alien” or “Foreign national”  | Foreign country     | Puerto Rico, Guam, Virgin Islands, American Samoa, Commonwealth of Northern Mariana Islands | NA                             | 8 U.S.C. §1101(a)(3)   | No  | Yes  | No  | No  |
| 4.2 | “alien” or “Foreign national”  | Foreign country     | State of the Union  | Yes                            | 8 U.S.C. §1101(a)(3)   | No  | No   | Yes   | No  |
| 4.3 | “alien” or “Foreign national”  | Foreign country     | State of the Union  | No                             | 8 U.S.C. §1101(a)(3)   | No  | No   | No  | Yes   |
| 4.4 | “alien” or “Foreign national”  | Foreign country     | Foreign country   | Yes                            | 8 U.S.C. §1101(a)(3)   | No  | No   | Yes   | No  |
| 4.5 | “alien” or “Foreign national”  | Foreign country     | Foreign country   | No                             | 8 U.S.C. §1101(a)(3)   | No  | No   | No  | Yes   |

2 **NOTES:**

- 3 1. A nonresident alien individual who has made an election under 26 U.S.C. §6013(g) and (h) to be treated as a resident alien is treated as a “nonresident alien” for the
- 4 purposes of withholding under I.R.C. Subtitle C but retains their status as a “resident alien” under I.R.C. Subtitle A. See 26 CFR §1.1441-1(c)(3)(ii).

**Nonresident Alien Position**

Copyright Sovereignty Education and Defense Ministry, <http://sedm.org>  
Form 05.020, Rev. 9-20-2009

- 1 2. What turns a “nonresident alien NON-individual” into a “nonresident alien individual” is:  
2 2.1. Being an alien and NOT a “national” AND  
3 2.2. Meets one or more of the following two criteria found in 26 CFR §1.1441-1(c)(3)(ii):  
4 2.2.1. Residence/domicile in a foreign country under the residence article of an income tax treaty and 26 CFR §301.7701(b)-7(a)(1).  
5 2.2.2. Residence/domicile as an alien in Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as  
6 determined under 26 CFR §301.7701(b)-1(d).  
7 3. If you were born in a state of the Union and maintain a domicile there, then you are described in item 3.1 of the table.  
8 4. All “taxpayers” are aliens or “nonresident aliens”. You cannot be a “citizen” and a taxpayer at same time. The definition of “individual” found in 26 CFR §1.1441-  
9 1(c)(3) does NOT include “citizens”. The only occasion where a “citizen” can also be an “individual” is when they are abroad under 26 U.S.C. §911 and interface  
10 to the I.R.C. under a tax treaty with a foreign country as an alien pursuant to 26 CFR §301.7701(b)-7(a)(1)

11 *And when he had come into the house, Jesus anticipated him, saying, "What do you think, Simon? From whom do the kings [governments] of the earth [lawfully] take*  
12 *customs or taxes, from their sons [citizens and subjects] or from strangers ["aliens", which are synonymous with "residents" in the tax code, and exclude "citizens"]?"*

13 *Peter said to Him, "From strangers ["aliens"/"residents" ONLY. See 26 CFR §1.1-1(a)(2)(ii) and 26 CFR §301.6109-1(d)(3)]."*

14 *Jesus said to him, "Then the sons ["citizens" of the Republic, who are all sovereign "nationals" and "nonresident aliens" under federal law] are free [sovereign over*  
15 *their own person and labor. e.g. SOVEREIGN IMMUNITY]."*  
16 *[Matt. 17:24-27, Bible, NKJV]*

Based on the above, a human being born anywhere in America and domiciled within the exclusive jurisdiction of a state of the Union is a nonresident and a “non-citizen national” pursuant to 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452. This is also confirmed by 26 U.S.C. §877, which describes a person who abandons their “national” status as a “nonresident alien” both BEFORE and AFTER they abandon it. If the “nonresident alien” described below was NOT also a “nonresident alien” BEFORE he expatriated, then the statute would not make sense and would have to be rewritten.

TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART II > Subpart A > § 877  
§877. Expatriation to avoid tax

(a) Treatment of expatriates

(1) In general

Every nonresident alien individual to whom this section applies and who, within the 10-year period immediately preceding the close of the taxable year, lost United States citizenship shall be taxable for such taxable year in the manner provided in subsection (b) if the tax imposed pursuant to such subsection (after any reduction in such tax under the last sentence of such subsection) exceeds the tax which, without regard to this section, is imposed pursuant to section 871.

The term “expatriation” is then defined as “the abandonment of nationality and allegiance”, hence, “national” status.

*“Expatriation is the voluntary renunciation or abandonment of nationality and allegiance.”*  
*[Perkins v. Elg., 1939, 307 U.S. 325, 59 S.Ct. 884, 83 L.Ed. 1320]*

The only way that a person could be both a “national” before expatriation and an “alien” afterward and still be a “nonresident alien” in both circumstances is if BOTH statuses are included within the definition of “nonresident alien”. Otherwise, they would have had to say the following, where the underlined values are added or changed:

*“Every nonresident alien individual. . .who. . .BECAME a nonresident alien individual by losing United States citizenship”.*

For more on the relationship between citizenship status and tax status, see:

Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

The term “nonresident alien” is a combination of two words:

1. “nonresident”: Means that the entity has not nominated the specific government in question as their protector by choosing a domicile or residence within the territory protected by that government. Therefore, the entity is not protected by the civil laws of that place or government. For details on “domicile” and “residence”, see :

Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

2. “alien”: Means “foreign” in relation to the jurisdiction in question. The term “alien” in the context of a human being can mean that the human being was not born within the country that encompasses the jurisdiction in question. The term “alien” in relation to an artificial entity such as a corporation or trust could mean that the entity was not created or registered under the laws of the jurisdiction in question.

The term “nonresident alien” is statutorily defined in 26 U.S.C. §7701(b)(1)(B), which says:

26 U.S.C. §7701(b)(1)(B) Nonresident alien

*An individual is a nonresident alien if such individual is neither a citizen of the United States nor a resident of the United States (within the meaning of subparagraph (A)).*

The first thing we notice about the above definition is that the term “nonresident alien” is defined in the context of ONLY an “individual” as legally defined. Upon investigating this matter further, we find that:

1. Nowhere other than in the above definition does the term “nonresident alien” appear without the term “individual”, and



it appears only in the title of 26 U.S.C. §7701(b)(1)(B) above.

2. 26 CFR §1.1441-1(c)(3) defines what a “nonresident alien individual” is but not a “nonresident alien”. Based on comparing the definition of “nonresident alien individual” in that section and the term “nonresident alien” in 26 U.S.C. §7701(b)(1)(B), we find that:

2.1. You can be a “nonresident alien” without being a “nonresident alien individual”.

2.2. The only difference between a “nonresident alien” and a “nonresident alien individual” is that the entity:

2.2.1. Is an alien and NOT a “national” AND

2.2.2. Meets one or more of the following two criteria found in 26 CFR §1.1441-1(c)(3)(ii):

2.2.2.1. Residence/domicile in a foreign country under the residence article of an income tax treaty and 26 CFR §301.7701(b)-7(a)(1).

2.2.2.2. Residence/domicile as an alien in Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as determined under 26 CFR §301.7701(b)-1(d).

Therefore, a human being who is a non-citizen national cannot be a “nonresident alien individual” regardless of their domicile. Compare 26 U.S.C. §7701(b)(1)(A).

3. The above definition describes what a “nonresident alien” **IS NOT**, but not what it **IS**. They are hiding something, aren’t they? They obviously don’t want you to know what it is because then they would have to admit that nearly everyone in states of the Union are nonresident alien NON-individuals for which there are NO tax forms they can sign unmodified without committing perjury under penalty of perjury.

4. The above definition tries to create the presumption that only human beings can be “individuals”, but this is in fact false. An artificial entity that is not a human being, for instance, can also satisfy the following criteria for being a “nonresident alien”:

*“neither a citizen of the United States nor a resident of the United States”*

The reason they do this is that they don’t want you to know that businesses can ALSO be “nonresident aliens”. If every business out there declared itself to be a “nonresident alien”, the government wouldn’t have a way to regulate or tax them or accomplish its main goal of regulating commerce! Block 3 of the IRS Form W-8BEN confirms that entities other than “individuals” listed in the definition of “nonresident alien” can also be “nonresident aliens”. The form in block 3 lists grantor trusts, complex corporations, estates, etc. as being also “nonresident aliens”, but all the entities listed are statutory “public” and not “private” entities domiciled on federal territory or doing business there, and engaged in a “public office” in the U.S. government. The government has no jurisdiction to regulate the affairs of entities neither domiciled nor resident outside its jurisdiction nor engaged in private and not public activities.

*“Although **the conduct of private parties lies beyond the Constitution’s scope in most instances**, governmental authority may dominate an activity to such an extent that its participants must be deemed to act with the authority of the government and, as a result, be subject to constitutional constraints.”*  
[Edmonson v. Leesville Concrete Company, 500 U.S. 614 (1991)]

5. Nearly every place that the term “nonresident alien” is described in the Internal Revenue Code and the Treasury Regulations and in which a duty is prescribed, the phrase “individual” is added to the end so that it reads “nonresident alien individual”. See Section 14 later for details.

6. Nowhere do the I.R.C. or the Treasury Regulations impose a duty or obligation upon “nonresident aliens” who are NOT “individuals”. For instance, the obligation to file income tax returns is described in 26 CFR §1.6012-1(b) in the context of “nonresident alien individuals”, but nowhere in the context of those who are “nonresident aliens” but NOT “individuals”.

7. IRS Form 1040 is entitled “U.S. **Individual** Income Tax Return”. Those who are not “individuals” cannot have an obligation to file this form.

Based on the above, if you want to avoid being subject to the I.R.C. or having any sort of obligation under it, you must therefore describe yourself as a “nonresident alien” who is NOT a “nonresident alien individual”. This, in fact, is what the AMENDED version of the IRS Form W-8BEN that we provide does at the link below: It adds two new statuses to the IRS Form W-8BEN, which are “transient foreigner” and “Union State Citizen” as an alternative to the word “individual”.

About IRS Form W-8BEN, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>

Those who describe themselves as “nonresident aliens” who are NOT “individuals” and who are not engaged in the “trade

or business” excise taxable franchise sometimes erroneously identify themselves as the type of “individual” described in 26 CFR §1.871-1(b)(1)(i). This type of “nonresident alien” is also an “individual”, which means the entity described is actually a “nonresident alien” who made an election pursuant to 26 U.S.C. §6013(g) and (h) to be treated as a “resident alien” and who is therefore subject to the I.R.C.. Don’t EVER make this huge mistake by invoking this regulation to identify yourself without also clarifying somewhere on the form or correspondence that you are not an “individual”. The AMENDED W-8BEN above takes this into account:

TITLE 26--INTERNAL REVENUE  
CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY  
PART 1\_INCOME TAXES--Table of Contents  
Sec. 1.871-1 Classification and manner of taxing alien individuals.

**(a) Classes of aliens.**

For purposes of the income tax, alien individuals are divided generally into two classes, namely, resident aliens and nonresident aliens. Resident alien individuals are, in general, taxable the same as citizens of the United States; that is, a resident alien is taxable on income derived from all sources, including sources without the United States. See Sec. 1.1-1(b). Nonresident alien individuals are taxable only on certain income from sources within the United States and on the income described in section 864(c)(4) from sources without the United States which is effectively connected for the taxable year with the conduct of a trade or business in the United States. However, nonresident alien individuals may elect, under section 6013 (g) or (h), to be treated as U.S. residents for purposes of determining their income tax liability under Chapters 1, 5, and 24 of the code. Accordingly, any reference in Sec. Sec. 1.1-1 through 1.1388-1 and Sec. Sec. 1.1491-1 through 1.1494-1 of this part to non-resident alien individuals does not include those with respect to whom an election under section 6013 (g) or (h) is in effect, unless otherwise specifically provided. Similarly, any reference to resident aliens or U.S. residents includes those with respect to whom an election is in effect, unless otherwise specifically provided.

**(b) Classes of nonresident aliens—**

**(1) In general.**

***For purposes of the income tax, nonresident alien individuals are divided into the following three classes:***

***(i) Nonresident alien individuals who at no time during the taxable year are engaged in a trade or business [public office] in the United States,***

***(ii) Nonresident alien individuals who at any time during the taxable year are, or are deemed under Sec. 1.871-9 to be, engaged in a trade or business in the United States, and***

***(iii) Nonresident alien individuals who are bona fide residents of Puerto Rico during the entire taxable year.***

An individual described in subdivision (i) or (ii) of this subparagraph is subject to tax pursuant to the provisions of subpart A (section 871 and following), part II, subchapter N, chapter 1 of the Code, and the regulations thereunder. See Sec. Sec. 1.871-7 and 1.871-8. The provisions of subpart A do not apply to individuals described in subdivision (iii) of this subparagraph, but such individuals, except as provided in section 933 with respect to Puerto Rican source income, are subject to the tax imposed by section 1 or section 1201(b). See Sec. 1.876-1.

The reasons you want to avoid being an “individual” are many, and include:

1. The term “individual” is not defined in the I.R.C. It is dangerous and presumptuous to describe yourself as anything that is not defined. It is defined in the regulations at 26 CFR §1.1441-1(c)(3), but the regulation exceeds the scope of the statute and therefore is void, which leaves us guessing what the term really means.

“Finally, the Government points to the fact that the Treasury Regulations relating to the statute purport to include the pick-up man among those subject to the s 3290 tax,<sup>FNI1</sup> and argues (a) that this constitutes an administrative interpretation to which we should give weight in construing the statute, particularly because (b) section 3290 was carried over in haec verba into s 4411 of the Internal Revenue Code of 1954, 26 U.S.C.A. s 4411. We find neither argument persuasive. In light of the above discussion, \*359 we cannot but regard this Treasury Regulation as no more than an attempted addition to the statute of something which is not there.<sup>FNI2</sup> As such the regulation can furnish no sustenance to the statute. *Koshland v. Helvering*, 298 U.S. 441, 446-447, 56 S.Ct. 767, 769-770, 80 L.Ed. 1268. Nor is the Government helped by its argument as to the 1954 Code. The regulation had been in effect for only three years,<sup>FNI3</sup> and there is nothing to indicate that it was ever called to the attention \*\*1144 of Congress. The re-enactment of s 3290 in the 1954 Code was not

1 accompanied by any congressional discussion which throws light on its intended scope. In such  
2 circumstances we consider the 1954 re-enactment to be without significance. Commissioner of Internal  
3 Revenue v. Glenshaw Glass Co., 348 U.S. 426, 431, 75 S.Ct. 473, 476, 99 L.Ed. 483.”  
4 [U.S. v. Calamaro, 354 U.S. 351, 77 S.Ct. 1138 (U.S. 1957) ]

- 5 2. We allege that using the term “individual” can only mean that you are an officer or employee of the U.S. Government  
6 who is an alien, as we will show later.
- 7 3. You cannot be “sovereign” and yet contradict yourself by describing yourself as anything defined in government  
8 statutes or codes, which we know can only regulate the conduct of their own employees and officers but not private  
9 individuals. See:
- 10 3.1. Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037  
11 <http://sedm.org/Forms/FormIndex.htm>
- 12 3.2. Why Your Government is Either a Thief or You are a “Public Officer” for Income Tax Purposes, Form #05.008  
13 <http://sedm.org/Forms/FormIndex.htm>
- 14 3.3. The following cite:

15 “Since in common usage, the term person does not include the sovereign, statutes not employing the phrase  
16 are ordinarily construed to exclude it.”  
17 [United States v. Cooper Corporation, 312 U.S. 600 (1941)]

18 “Sovereignty itself is, of course, not subject to law for it is the author and source of law;”  
19 [Yick Wo v. Hopkins, 118 U.S. 356 (1886) ]

20 “There is no such thing as a power of inherent Sovereignty in the government of the United States. In this  
21 country **sovereignty resides in the People**, and Congress can exercise no power which they have not, by their  
22 Constitution entrusted to it: All else is withheld.”  
23 [Juilliard v. Greenman, 110 U.S. 421 (1884)]

24 “The words ‘people of the United States’ and ‘citizens,’ are synonymous terms, and mean the same thing. They  
25 both describe the political body who, according to our republican institutions, form the sovereignty, and who  
26 hold the power and conduct the government through their representatives. **They are what we familiarly call the**  
27 **‘sovereign people,’ and every citizen is one of this people, and a constituent member of this sovereignty. ...”**  
28 [Boyd v. State of Nebraska, 143 U.S. 135 (1892)]

29 If you would like to know more about the “individual” scam, see the next section.

30 Within the Internal Revenue Code, the term “nonresident alien” is a “word of art”, which means a term that has a special  
31 use different from what common sense and common usage might dictate. The terms “alien” and “nonresident alien” are  
32 also defined in the regulations at 26 CFR § 1.1441-1(c)(3):

33 [26 CFR 1.1441-1 Requirement for the deduction and withholding of tax on payments to foreign persons.](#)

34 (c ) Definitions

35 (3) Individual.

36 (i) Alien individual.

37 **The term alien individual means an individual who is not a citizen or a national of the United States. See**  
38 **Sec. 1.1-1(c).**

39 (ii) Nonresident alien individual.

40 The term nonresident alien individual means a person described in section 7701(b)(1)(B), an alien individual  
41 **who is a resident of a foreign country** under the residence article of an income tax treaty and Sec.  
42 301.7701(b)-7(a)(1) of this chapter, or an alien individual who is a resident of Puerto Rico, Guam, the  
43 Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as determined under  
44 Sec. 301.7701(b)-1(d) of this chapter. An alien individual who has made an election under section 6013 (g) or  
45 (h) to be treated as a resident of the United States is nevertheless treated as a nonresident alien individual for  
46 purposes of withholding under chapter 3 of the Code and the regulations thereunder.

47 Notice that based on the above, the term “individual” DOES NOT include “citizens” and that you can’t be a “nonresident  
48 alien individual” without first being an “alien individual”. Based on the above, only TWO things can change a



1 “nonresident alien NON-individual” into a “nonresident alien individual”:

- 2 1. You are an alien and NOT a “national” AND
- 3 2. Meet one or more of the following two criteria found in 26 CFR §1.1441-1(c)(3)(ii):
  - 4 2.1. Residence/domicile in a foreign country under the residence article of an income tax treaty and 26 CFR
  - 5 §301.7701(b)-7(a)(1).
  - 6 2.2. Residence/domicile as an alien in Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S.
  - 7 Virgin Islands, or American Samoa as determined under 26 CFR §301.7701(b)-1(d).

8 If you look at the above two definitions carefully, which incidentally are the only definitions of “individual”, “alien”, and  
9 “nonresident alien” found in 26 CFR, you will notice that a human being domiciled inside the 50 states of the Union and  
10 outside of the federal zone can be a “nonresident alien” without being an “alien”, which at first glance would appear to be a  
11 contradiction. How can a person be a “nonresident alien” without being an “alien”? Because “nonresident alien” is defined  
12 in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#) as someone who is not a “U.S. citizen” or a “resident” (alien), which is exactly what a  
13 “national but not citizen” as defined in 8 U.S.C. §1101(a)(21) or [8 U.S.C. §1101\(a\)\(22\)\(B\)](#) is!<sup>1</sup> Because of the definition of  
14 “alien” found in 26 CFR § 1.1441-1(c)(3)(i) above, that same “national” can’t be a “alien”, because “aliens” cannot be  
15 “nationals” or “U.S. citizens”! These conclusions are also consistent with the following maxim of law:

16 *Talis non est eadem, nam nullum simile est idem.*  
17 *What is like is not the same, for nothing similar is the same. 4 Co. 18.*  
18 *[Bouvier’s Maxims of Law, 1856;*  
19 *SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>*

20 5 U.S.C. §552a defines the term “individual” as a statutory but not constitutional “citizen of the United States” or a  
21 statutory but not constitutional “resident” (alien), both of whom have in common a domicile on federal territory that is no  
22 part of any state of the Union.

23 [TITLE 5 - GOVERNMENT ORGANIZATION AND EMPLOYEES](#)  
24 [PART I - THE AGENCIES GENERALLY](#)  
25 [CHAPTER 5 - ADMINISTRATIVE PROCEDURE](#)  
26 [SUBCHAPTER II - ADMINISTRATIVE PROCEDURE](#)  
27 [§ 552a. Records maintained on individuals](#)

28 (a) Definitions.— For purposes of this section—

29 (2) the term “individual” means a citizen of the United States or an alien lawfully admitted for permanent  
30 residence;

31 Consequently, we allege that the only time that a “nonresident alien” can ALSO be an “individual” is when they satisfy  
32 ALL of the following criteria:

- 33 1. They are an “alien” who was not born in the country.
- 34 2. They are NOT a “national” or “non-citizen national” pursuant to 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452. You  
35 cannot be a statutory “U.S. citizen” and a “resident” (alien) at the same time. A “national” who changes his domicile  
36 to the “United States” (federal zone) becomes a statutory “U.S. citizen” pursuant to 8 U.S.C. §1401 but not a “resident”  
37 alien pursuant to 26 U.S.C. §7701(b)(1)(A).
- 38 3. They are married to a statutory but not constitutional “U.S. citizen” pursuant to 8 U.S.C. §1401.
- 39 4. They have made an election to be treated as a “resident alien” pursuant to 26 U.S.C. §7701(b)(4)(B) and 26 U.S.C.  
40 §6013(g) and (h).
- 41 5. No one forced them to make such an election and it was entirely voluntary. An example of forcing such an election  
42 would be an unlawful substitute for return filed using IRS Form 1040, which is only for use by “U.S. persons” with a  
43 domicile on federal territory and may not be used against “nonresident aliens” who do not consent to a voluntary  
44 election to be treated as resident aliens. See the following for details:

[Why the Government Can’t Lawfully Assess Human Beings With an Income Tax Liability Without Their Consent](#), Form  
#05.011  
<http://sedm.org/Forms/FormIndex.htm>

<sup>1</sup> **NOTE:** Throughout this memorandum, the terms “national” and “state national” and “non-citizen national”, all of which are defined in 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452, are equivalent and interchangeable.

1 An examination of IRS Form 1040NR confirms that “U.S. nationals” are indeed “nonresident aliens”. A “state national”  
2 and a “national” are the equivalent of a “U.S. national” in that context. Check the following page on the following website  
3 for confirmation:

IRS Form 1040NR

<http://famguardian.org/Subjects/Taxes/Citizenship/IRSFom1040nr-USNational.pdf>

4 Our deceitful federal government has once again tried to confuse sovereign Americans so they would discount being  
5 “nonresident aliens” based on a statement something like the following:

6 *“A reasonable person would conclude that they can’t be an alien in their own country, and therefore I can’t be*  
7 *a nonresident alien. It’s ludicrous to even think that I could.”*

8 The term “nonresident alien” is a contradiction deliberately designed by deceitful lawyers to confuse you. All “residents”  
9 can only be “aliens” under the Internal Revenue Code. When we call someone a “nonresident”, we are saying he is not an  
10 “alien”. “non” means “not”. Therefore, when we call someone a “nonresident alien”, we are calling them a “non-alien  
11 alien”. How’s that for cognitive dissonance! Since lawyers know that people will avoid cognitive dissonance, that is why  
12 they named the term the way they did. If Congress had been completely honest about their definitions, they would have  
13 used the term “nonresident national or foreign national” instead of “nonresident alien” in 26 CFR § 1.1441-1(c)(3)(i) and  
14 explained that this status is the one that applies to people born in states of the Union under the Internal Revenue Code.  
15 However, then they would have given away their ruse and showed the average American that they aren’t liable for income  
16 tax unless they have gross income from sources within the federal United States that falls under 26 CFR § 1.861-8(f), which  
17 most people don’t!

18 Pivotal to the nonresident alien position is our status as “human beings” and not privileged statutory creations of Congress  
19 such as corporations, “persons”, or “individuals”. Congress can only tax what it creates and it didn’t create human beings.  
20 Therefore, the government cannot destroy human beings unless they consensually and voluntarily surrender their rights,  
21 their sovereignty, or their sovereign immunity by engaging in federal franchises such as the protection franchise called  
22 “domicile” or the public office franchise called a “trade or business”:

23 ***“The power to tax involves the power to destroy; the power to destroy may defeat and render useless the***  
24 ***power to create; and there is a plain repugnance in conferring on one government [THE FEDERAL***  
25 ***GOVERNMENT] a power to control the constitutional measures of another [WE THE PEOPLE], which***  
26 ***other, with respect to those very measures, is declared to be supreme over that which exerts the control.”***  
27 *[Van Brocklin v. State of Tennessee, 117 U.S. 151 (1886)]*

28 ***“The great principle is this: because the constitution will not permit a state to destroy, it will not permit a law***  
29 ***[including a tax law] involving the power to destroy.”***  
30 *[Providence Bank v. Billings, 29 U.S. 514 (1830)]*

31 *“Having thus avowed my disapprobation of the purposes, for which the terms, State and sovereign, are*  
32 *frequently used, and of the object, to which the application of the last of them is almost universally made; it is*  
33 *now proper that I should disclose the meaning, which I assign to both, and the application, [2 U.S. 419, 455]*  
34 *which I make of the latter. **In doing this, I shall have occasion incidentally to evince, how true it is, that States***  
35 ***and Governments were made for [and BY] man; and, at the same time, how true it is, that his creatures and***  
36 ***servants have first deceived, next vilified, and, at last, oppressed their master and maker.”***  
37 *[Justice Wilson, Chisholm v. Georgia, 2 Dall. (2 U.S.) 419, 1 L.Ed 440, 455 (1793)]*

38 The term “nonresident alien” in the context of federal income taxes can also encompass those persons who are state but not  
39 statutory federal citizens or people who are foreigners living in a state of the Union. However, one can be a citizen of a  
40 state of the Union and still be a national of their country while not being a statutory “U.S. citizen” under 8 U.S.C. §1401 or  
41 any other “act of Congress”. These people are correctly referred to as “nationals” or “state nationals”. Johnny Liberty  
42 (<http://www.icresource.com>) also calls them “American nationals” in his book available on our website below:

Global Sovereign Handbook, Form #13.005

<http://sedm.org/Forms/FormIndex.htm>

43 It might also surprise you that the Treasury Department has actually *already* admitted in its publications that people who  
44 are “state nationals” are indeed “nonresident aliens”. The famous Supreme Court Case called *Brushaber v. Union Pacific*  
45 *Railroad*, 240 U.S. 1 (1916) involved a French immigrant who was a citizen of New York state but not a “citizen” under

Federal Law. Therefore, he was a “national but not a citizen” under 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452. He bought stock in the Union Pacific Railroad, which was a federal corporation chartered in the District of Columbia and operating in a federal territory of the United States (Utah). He brought suit against the Union Pacific Railroad to enjoin them from paying income taxes to the federal government on the excuse that it was reducing the earnings of shareholders located in the states of the Union and therefore constituted a direct tax. The supreme Court said that it would not interfere with the decision by a corporation to pay income taxes, even if the law didn’t require it. Shortly after that finding by the Supreme Court, the Treasury department published Treasury Decision 2313, in which they identified Mr. Brushaber as a nonresident alien. You can read about this fascinating case at:

1. [Significance of Brushaber v. Union Pacific Railroad, 240 U.S. 1 \(1916\)](http://famguardian.org/Subjects/Taxes/CourtCases/BrushaberVUnionPacRR240US1.htm)  
<http://famguardian.org/Subjects/Taxes/CourtCases/BrushaberVUnionPacRR240US1.htm>
2. [An Investigation Into The Meaning of the Term “United States”](http://famguardian.org/Subjects/Taxes/ChallJurisdiction/Definitions/freemaninvestigation.htm)  
<http://famguardian.org/Subjects/Taxes/ChallJurisdiction/Definitions/freemaninvestigation.htm>

We hear a lot of questions along the following lines:

*“Well why does it matter whether I’m a statutory ‘U.S. citizen’ or a ‘nonresident alien’ anyway? Either way I’m **not liable** for income tax because there is no liability statute or implementing regulations permitting enforcement of Subtitle A income taxes imposed in 26 U.S.C. Section 1.”*

Very good question! We respond to this prudent observation by stating that there is **absolutely no advantage** to being a U.S.\*\* citizen **and a BIG disadvantage** because **once we volunteer to become statutory “U.S. citizens” under 8 U.S.C. §1401, we volunteer to be completely subject to the jurisdiction of the U.S. government and the federal courts!** If you have read this far, you have realized that our federal government is corrupt and covetous of getting into our pocket and plundering as much of our assets as it can get it’s paws on using deceit and fraud. Why open the door wide enough to invite these criminals into our lives by giving them jurisdiction so they can destroy our lives and our liberties if we don’t have to? Prudence demands that we provide as many protections and safeguards as we possibly can for our liberties by staying as far away from federal and any kind of government jurisdiction or influence as we can! Any other approach is **pure stupidity** and a big mistake! *Crosse v. Bd. of Supervisors*, 221 A.2d 431 (1966) says about this subject:

*“Both before and after the Fourteenth Amendment to the federal Constitution, it has not been necessary for a person to be a citizen of the United States in order to be a citizen of his state.” Citing U.S. v. Cruikshank, supra. [Crosse v. Bd. of Supervisors, 221 A.2d 431 (1966)]*

A “national”, a “state national”, a Natural Born Sovereign, and a “nonresident alien” are therefore the best things we can be because this will give our liberties the **most protections** from the encroachments of greedy Congressmen, unscrupulous IRS agents, and corrupt federal judges, all of which are the “sinners” that Jesus came down to earth to call to repentance. This fits very nicely in with the scripture quoted in section 3.5.3 of the **Tax Fraud Prevention Manual**, Form #06.008 under “Making Yourself Judgment Proof”, which states:

*“A prudent man foresees evil and hides himself, but the simple pass on and are punished. By humility and fear of the Lord are riches and honor and life. Thorns and snares are in the way of the perverse; he who guards his soul will be far from them.”  
[Prov. 22:3]*

If you would like to learn more about the Nonresident Alien Position and if you would like a simple way to explain it to your friends and loved ones, there is a nice and simple pamphlet that addresses this important subject below at:

**Legal Basis for the Term “Nonresident Alien”**, Form #05.036  
<http://sedm.org/Forms/FormIndex.htm>

If you seek tools for applying the Nonresident Alien Position to your employment, finance, or business tax withholding or reporting, see sections 17.6 and 0 later.

## **4 The Three Definitions of “United States”**

Most of us are completely unaware that the term “**United States**” has several distinct and separate legal meanings and that it is up to us to know and understand these differences, to use them appropriately, and to clarify exactly which one we mean



1 whenever we sign any government or financial form (including voter registration, tax documents, etc). If we do not, we  
2 could unknowingly, unwillingly and involuntarily be creating false presumptions that cause us to surrender our  
3 Constitutional rights and our sovereignty. The fact is, most of us have unwittingly been doing just that for most, if not all,  
4 of our lives. Much of this misunderstanding and legal ignorance has been deliberately “manufactured” by our corrupted  
5 government in the public school system. It is a fact that our public dis-servants want docile sheep who are easy to govern,  
6 not “high maintenance “ sovereigns capable of critical and independent thinking and who demand their rights. We have  
7 become so casual in our use of the term “United States” that it is no longer understood, even within the legal profession,  
8 that there are actually three different legal meanings to the term. In fact, the legal profession has contributed to this  
9 confusion over this term by removing its definitions from all legal dictionaries currently in print that we have looked at.  
10 See Great IRS Hoax, Form #11.302, Section 6.10.1 for details on this scam.

11 Most of us have grown up thinking the term “United States” indicates and includes all 50 states of the Union. This is true  
12 in the context of the U.S. Constitution but it is not true in all contexts. As you will see, this is the third meaning assigned to  
13 the term “United States” by the United States Supreme Court. But, usually when we (Joe six pack) use the term United  
14 States we actually think we are saying the united States, as we are generally thinking of the several states or the union of  
15 States. As you will learn in this section, the meaning of the term depends entirely on the context and when we are filling  
16 out federal forms or speaking with the federal government, this is a very costly false presumption.

17 First, it should be noted that the term United States is a noun. In fact, it is the proper name and title “We the people...” gave  
18 to the corporate entity (non-living thing) of the federal (central) government created by the Constitution. This in turn  
19 describes where the “United States” federal corporation referenced in 28 U.S.C. §3002(15)(A) was to be housed as the Seat  
20 of the Government - In the District of Columbia, not to exceed a ten mile square.

21 Constitution  
22 Article 1, Section 8, Clause 17

23 *To exercise exclusive Legislation in all Cases whatsoever, over such District (not exceeding ten Miles square)*  
24 *as may, by Cession of particular States, and the Acceptance of Congress, become the Seat of the Government of*  
25 *the United States, and to exercise like Authority over all Places purchased by the Consent of the Legislature of*  
26 *the State in which the Same shall be for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other*  
27 *needful Buildings;—And [underlines added]*

28 Below is how the united States Supreme Court addressed the question of the meaning of the term “United States” (see  
29 Black’s Law Dictionary) in the famous case of *Hooven & Allison Co. v. Evatt*, 324 U.S. 652 (1945). The Court ruled that  
30 the term United States has three uses:

31 *"The term 'United States' may be used in any one of several senses. It may be merely the name of a sovereign*  
32 *occupying the position analogous to that of other sovereigns in the family of nations. It may designate the*  
33 *territory over which the sovereignty of the United States extends, or it may be the collective name of the states*  
34 *which are united by and under the Constitution."*  
35 [*Hooven & Allison Co. v. Evatt*, 324 U.S. 652 (1945)]

36 We will now break the above definition into it’s three contexts and show what each means.

37 **Table 2: Meanings assigned to "United States" by the U.S. Supreme Court in *Hooven & Allison v. Evatt***

| # | U.S. Supreme Court Definition of "United States" in <i>Hooven</i>   | Context in which usually used | Referred to in this article as | Interpretation   |
|---|---|-------------------------------|--------------------------------|--|
| 1 | "It may be merely the name of a sovereign occupying the position analogous to that of other sovereigns in the family of nations." | International law             | "United States*"               | "These <u>united States</u> ," when traveling abroad, you come under the jurisdiction of the President through his agents in the U.S. State Department, where "U.S." refers to the sovereign society. You are a "Citizen of the United States" like someone is a Citizen of France, or England. We identify this version of "United States" with a single asterisk after its name: "United States*" throughout this article. |

| # | U.S. Supreme Court Definition of "United States" in <i>Hooven</i>                            | Context in which usually used     | Referred to in this article as | Interpretation   |
|---|--|-----------------------------------|--------------------------------|--|
| 2 | "It may designate the territory over which the sovereignty of the United States extends, or" | Federal law<br>Federal forms      | "United States**"              | "The United States (the District of Columbia, possessions and territories)". Here Congress has exclusive legislative jurisdiction. In this sense, the term "United States" is a singular noun. You are a person residing in the District of Columbia, one of its Territories or Federal areas (enclaves). Hence, even a person living in the one of the sovereign States could still be a member of the Federal area and therefore a "citizen of the United States." This is the definition used in most "Acts of Congress" and federal statutes. We identify this version of "United States" with two asterisks after its name: "United States**" throughout this article. This definition is also synonymous with the "United States" corporation found in 28 U.S.C. §3002(15)(A). |
| 3 | "...as the collective name for the states which are united by and under the Constitution."   | Constitution of the United States | "United States***"             | "The several States which is the <u>united States of America</u> ." Referring to the <u>50 sovereign States</u> , which are united under the <u>Constitution of the United States of America</u> . The federal areas within these states are not included in this definition because the <u>Congress does not</u> have exclusive legislative authority over any of the <u>50 sovereign States within the Union of States</u> . Rights are retained by the States in the 9th and 10th Amendments, and you are a " <u>Citizen of these united States</u> ." This is the definition used in the Constitution for the United States of America. We identify this version of "United States" with a three asterisks after its name: "United States***" throughout this article.           |

The U.S. Supreme Court helped to clarify which of the three definitions above is the one used in the U.S. Constitution, when it held the following. Note they are implying the THIRD definition above and not the other two:

*"The earliest case is that of Hepburn v. Ellzey, 2 Cranch, 445, 2 L. ed. 332, in which this court held that, under that clause of the Constitution limiting the jurisdiction of the courts of the United States to controversies between citizens of different states, a citizen of the District of Columbia could not maintain an action in the circuit court of the United States. It was argued that the word 'state,' in that connection, was used simply to denote a distinct political society. 'But,' said the Chief Justice, 'as the act of Congress obviously used the word 'state' in reference to that term as used in the Constitution, it becomes necessary to inquire whether Columbia is a state in the sense of that instrument. **The result of that examination is a conviction that the members of the American confederacy only are the states contemplated in the Constitution, . . . and excludes from the term the signification attached to it by writers on the law of nations.**' This case was followed in *Barney v. Baltimore*, 6 Wall. 280, 18 L. ed. 825, and quite recently in *Hoove v. Jamieson*, 166 U.S. 395, 41 L. ed. 1049, 17 Sup. Ct. Rep. 596. The same rule was applied to citizens of territories in *New Orleans v. Winter*, 1 Wheat. 91, 4 L. ed. 44, in which an attempt was made to distinguish a territory from the District of Columbia. But it was said that 'neither of them is a state in the sense in which that term is used in the Constitution.' In *Scott v. Jones*, 5 How. 343, 12 L. ed. 181, and in *Miners' Bank v. Iowa ex rel. District Prosecuting Attorney*, 12 How. 1, 13 L. ed. 867, it was held that under the judiciary act, permitting writs of error to the supreme court of a state in cases where the validity of a state statute is drawn in question, an act of a territorial legislature was not within the contemplation of Congress."*  
[Downes v. Bidwell, 182 U.S. 244 (1901) ]

The Supreme Court further clarified that the Constitution implies the third definition above, which is the United States\*\*\* when they held the following. Notice that they say "not part of the United States within the meaning of the Constitution" and that the word "the" implies only ONE rather than multiple meanings:

*"As the only judicial power vested in Congress is to create courts whose judges shall hold their offices during good behavior, it necessarily follows that, **if Congress authorizes the creation of courts and the appointment of judges for limited time, it must act independently of the Constitution upon territory which is not part of the United States within the meaning of the Constitution.**"*  
[O'Donoghue v. United States, 289 U.S. 516, 53 S.Ct. 740 (1933)]

And finally, the U.S. Supreme Court has also held that the Constitution does not and cannot determine or limit the authority of Congress over federal territory and that the ONLY portion of the Constitution that does in fact expressly refer to federal territory and therefore the statutory "United States" is Article 1, Section 8, Clause 17. Notice they ruled that Puerto Rico is NOT part of the "United States" within the meaning of the Constitution, just like they ruled in O'Donoghue above that territory was no part of the "United States":

*In passing upon the questions involved in this and kindred cases, we ought not to overlook the fact that, **while the Constitution was intended to establish a permanent form of government for the states which should elect to take advantage of its conditions, and continue for an indefinite future, the vast possibilities of that future could never have entered the minds of its framers.** The states had but recently emerged from a war with one of*

the most powerful nations of Europe, were disheartened by the failure of the confederacy, and were doubtful as to the feasibility of a stronger union. Their territory was confined to a narrow strip of land on the Atlantic coast from Canada to Florida, with a somewhat indefinite claim to territory beyond the Alleghenies, where their sovereignty was disputed by tribes of hostile Indians supported, as was popularly believed, by the British, who had never formally delivered possession [182 U.S. 244, 285] under the treaty of peace. The vast territory beyond the Mississippi, which formerly had been claimed by France, since 1762 had belonged to Spain, still a powerful nation and the owner of a great part of the Western Hemisphere. Under these circumstances it is little wonder that the question of annexing these territories was not made a subject of debate. The difficulties of bringing about a union of the states were so great, the objections to it seemed so formidable, that the whole thought of the convention centered upon surmounting these obstacles. The question of territories was dismissed with a single clause, apparently applicable only to the territories then existing, giving Congress the power to govern and dispose of them.

Had the acquisition of other territories been contemplated as a possibility, could it have been foreseen that, within little more than one hundred years, we were destined to acquire, not only the whole vast region between the Atlantic and Pacific Oceans, but the Russian possessions in America and distant islands in the Pacific, it is incredible that no provision should have been made for them, and the question whether the Constitution should or should not extend to them have been definitely settled. If it be once conceded that we are at liberty to acquire foreign territory, a presumption arises that our power with respect to such territories is the same power which other nations have been accustomed to exercise with respect to territories acquired by them. If, in limiting the power which Congress was to exercise within the United States[\*\*\*], it was also intended to limit it with regard to such territories as the people of the United States[\*\*\*] should thereafter acquire, such limitations should have been expressed. Instead of that, we find the Constitution speaking only to states, except in the territorial clause, which is absolute in its terms, and suggestive of no limitations upon the power of Congress in dealing with them. The states could only delegate to Congress such powers as they themselves possessed, and as they had no power to acquire new territory they had none to delegate in that connection. The logical inference from this is that if Congress had power to acquire new territory, which is conceded, that power was not hampered by the constitutional provisions. If, upon the other hand, we assume [182 U.S. 244, 286] that the territorial clause of the Constitution was not intended to be restricted to such territory as the United States then possessed, there is nothing in the Constitution to indicate that the power of Congress in dealing with them was intended to be restricted by any of the other provisions.

[...]

If those possessions are inhabited by alien races, differing from us in religion, customs, laws, methods of taxation, and modes of thought, the administration of government and justice, according to Anglo-Saxon principles, may for a time be impossible; and the question at once arises whether large concessions ought not to be made for a time, that ultimately our own theories may be carried out, and the blessings of a free government under the Constitution extended to them. We decline to hold that there is anything in the Constitution to forbid such action.

We are therefore of opinion that the island of Porto Rico is a territory appurtenant and belonging to the United States, but not a part of the United States[\*\*\*] within the revenue clauses of the Constitution; that the Foraker act is constitutional, so far as it imposes duties upon imports from such island, and that the plaintiff cannot recover back the duties exacted in this case. [*Downes v. Bidwell*, 182 U.S. 244 (1901)]

Another important distinction needs to be made. Definition 1 above refers to the country “United States\*”, but this country is not a “nation”, in the sense of international law. This very important point was made clear by the U.S. Supreme Court in 1794 in the case of *Chisholm v. Georgia*, 2 Dall. (U.S.) 419, 1 L.Ed. 440 (1793), when it said:

This is a case of uncommon magnitude. One of the parties to it is a State; certainly respectable, claiming to be sovereign. The question to be determined is, whether this State, so respectable, and whose claim soars so high, is amenable to the jurisdiction of the Supreme Court of the United States? This question, important in itself, will depend on others, more important still; and, may, perhaps, be ultimately resolved into one, no less radical than this ‘do the people of the United States form a Nation?’

A cause so conspicuous and interesting, should be carefully and accurately viewed from every possible point of sight. I shall examine it; 1st. By the principles of general jurisprudence. 2nd. By the laws and practice of particular States and Kingdoms. From the law of nations little or no illustration of this subject can be expected. By that law the several States and Governments spread over our globe, are considered as forming a society, not a NATION. It has only been by a very few comprehensive minds, such as those of Elizabeth and the Fourth Henry, that this last great idea has been even contemplated. 3rdly. and chiefly, I shall examine the important question before us, by the



Constitution of the United States, and the legitimate result of that valuable instrument.  
[Chisholm v. Georgia, [2 Dall. \(U.S.\) 419](#), 1 L.Ed. 440 (1793)]

Black's Law Dictionary further clarifies the distinction between a "nation" and a "society" by clarifying the differences between a **national** government and a **federal** government, and keep in mind that our government is called "federal government":

**"NATIONAL GOVERNMENT.** The government of a whole nation, as distinguished from that of a local or territorial division of the nation, and also as distinguished from that of a league or confederation.

"A national government is a government of the people of a single state or nation, united as a community by what is termed the "social compact," and possessing complete and perfect supremacy over persons and things, so far as they can be made the lawful objects of civil government. A federal government is distinguished from a national government by its being the government of a community of independent and sovereign states, united by compact." Piqua Branch Bank v. Knoup, 6 Ohio St. 393."  
[Black's Law Dictionary, Revised Fourth Edition, 1968, p. 1176]

**"FEDERAL GOVERNMENT.** The system of government administered in a state formed by the union or confederation of several independent or quasi independent states; also the composite state so formed.

In strict usage, there is a distinction between a confederation and a federal government. The former term denotes a league or permanent alliance between several states, each of which is fully sovereign and independent, and each of which retains its full dignity, organization, and sovereignty, though yielding to the central authority a controlling power for a few limited purposes, such as external and diplomatic relations. In this case, the component states are the units, with respect to the confederation, and the central government acts upon them, not upon the individual citizens. In a federal government, on the other hand, the allied states form a union, not, indeed, to such an extent as to destroy their separate organization or deprive them of quasi sovereignty with respect to the administration of their purely local concerns, but so that the central power is erected into a true state or nation, possessing sovereignty both external and internal, while the administration of national affairs is directed, and its effects felt, not by the separate states deliberating as units, but by the people of all. in their collective capacity, as citizens of the nation. The distinction is expressed, by the German writers, by the use of the two words "Staatenbund" and "Bundesstaat;" the former denoting a league or confederation of states, and the latter a federal government, or state formed by means of a league or confederation."  
[Black's Law Dictionary, Revised Fourth Edition, 1968, p. 740]

So the "United States\*" the country is a "society" and a "sovereignty" but not a "nation" under the law of nations, by the Supreme Court's own admission. Because the Supreme Court has ruled on this matter, it is now incumbent upon each of us to always remember it and to apply it in all of our dealings with the Federal Government. If not, we lose our individual Sovereignty by default and the Federal Government assumes jurisdiction over us. So, while a sovereign Citizen will want to be the third type of Citizen, which is a "Citizen of the United States\*\*\*" and on occasion a "citizen of the United States\*", he would never want to be the second, which is a "citizen of the United States\*". A human being who is a "citizen" of the second is called a statutory "U.S. citizen" under [8 U.S.C. §1401](#), and he is treated in law as occupying a place not protected by the Bill of Rights, which is the first ten amendments of the United States Constitution. Below is how the U.S. Supreme Court, in a dissenting opinion, described this "other" United States, which we call the "federal zone":

"The idea prevails with some, indeed it has found expression in arguments at the bar, that we have in this country substantially two national governments; one to be maintained under the Constitution, with all of its restrictions; the other to be maintained by Congress outside the independently of that instrument, by exercising such powers [of absolutism] as other nations of the earth are accustomed to.. I take leave to say that, if the principles thus announced should ever receive the sanction of a majority of this court, a radical and mischievous change in our system of government will result. We will, in that event, pass from the era of constitutional liberty guarded and protected by a written constitution into an era of legislative absolutism.. It will be an evil day for American liberty if the theory of a government outside the supreme law of the land finds lodgment in our constitutional jurisprudence. No higher duty rests upon this court than to exert its full authority to prevent all violation of the principles of the Constitution."  
[Downes v. Bidwell, [182 U.S. 244](#) (1901)]

The second definition of "United States\*" above is also a federal corporation. This corporation was formed in 1871. It is described in [28 U.S.C. §3002\(15\)\(A\)](#):

[TITLE 28 > PART VI > CHAPTER 176 > SUBCHAPTER A > Sec. 3002.](#)  
TITLE 28 - JUDICIARY AND JUDICIAL PROCEDURE  
PART VI - PARTICULAR PROCEEDINGS  
CHAPTER 176 - FEDERAL DEBT COLLECTION PROCEDURE

SUBCHAPTER A - DEFINITIONS AND GENERAL PROVISIONS

Sec. 3002. Definitions

(15) "United States" means -

(A) a Federal corporation;

(B) an agency, department, commission, board, or other entity of the United States; or

(C) an instrumentality of the United States.

The U.S. Supreme Court, in fact, has admitted that all governments are corporations when it said:

"Corporations are also of all grades, and made for varied objects; **all governments are corporations, created by usage and common consent, or grants and charters which create a body politic for prescribed purposes; but whether they are private, local or general, in their objects, for the enjoyment of property, or the exercise of power, they are all governed by the same rules of law, as to the construction and the obligation of the instrument by which the incorporation is made [the Constitution is the corporate charter].** One universal rule of law protects persons and property. It is a fundamental principle of the common law of England, that the term freemen of the kingdom, includes 'all persons,' ecclesiastical and temporal, incorporate, politique or natural; it is a part of their magna charta (2 Inst. 4), and is incorporated into our institutions. The persons of the members of corporations are on the same footing of protection as other persons, and their corporate property secured by the same laws which protect that of individuals. 2 Inst. 46-7. 'No man shall be taken,' 'no man shall be disseised,' without due process of law, is a principle taken from magna charta, infused into all our state constitutions, and is made inviolable by the federal government, by the amendments to the constitution." [Proprietors of Charles River Bridge v. Proprietors of, [36 U.S. 420](#) (1837)]

If we are acting as a federal "public official" or contractor, then we are representing the "United States\*\* federal corporation". That corporation is a statutory "U.S. citizen" under [8 U.S.C. §1401](#) which is completely subject to all federal law.

"A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only." [19 Corpus Juris Secundum Legal Encyclopedia, Corporations, §886]

[Federal Rule of Civil Procedure 17\(b\)](#) says that when we are representing that corporation as "officers" or "employees", we therefore become statutory "U.S. citizens" completely subject to federal territorial law:

IV. PARTIES > Rule 17.

Rule 17. Parties Plaintiff and Defendant; Capacity

(b) Capacity to Sue or be Sued.

Capacity to sue or be sued is determined as follows:

(1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;

**(2) for a corporation, by the law under which it was organized; and**

(3) for all other parties, by the law of the state where the court is located, except that:

(A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws; and

(B) [28 U.S.C. §§ 754 and 959\(a\)](#) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.

[[Federal Rule of Civil Procedure 17\(b\)](#)]

Yet on every government (any level) document we sign (e.g. Social Security, Marriage License, Voter Registration, Drivers License, BATF 4473, etc.) they either require you to be a "citizen of the United States" or they ask "are you a resident of Illinois?". They are in effect asking you to assume or presume the second definition, the "United States\*\*", when you fill out the form, but they don't want to tell you this because then you would realize they are asking you to commit perjury on a government form under penalty of perjury. They in effect are asking you if you wish to act in the official capacity of a public employee of the federal corporation. The form you are filling out therefore is serving the dual capacity of a federal job application and an application for benefits. The reason this must be so, is that they are not allowed to pay "benefits" to private citizens and can only lawfully pay them to public employees. Any other approach makes the government into a thief. See the article below for details on this scam:

[Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes, Form #05.008](#)  
<http://sedm.org/Forms/FormIndex.htm>

If you accept the false and self-serving presumption of your public dis-servants, or you answer “Yes” to the question of whether you are a “citizen of the United States” or a “U.S. citizen” on a federal or state form, usually under penalty of perjury, then you have committed perjury under penalty of perjury and also voluntarily placed yourself under their exclusive/plenary legislative jurisdiction as a public official/”employee” and are therefore subject to Federal & State Codes and Regulations (Statutes). The Social Security Number they ask for on the form, in fact, is prima facie evidence that you are a federal employee, in fact. Look at the evidence for yourself, paying particular attention to sections 6.1, 6.2 and 6.6:

Resignation of Compelled Social Security Trustee, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>

Most laws passed by government are, in effect, law only for government. They are private law or contract law that act as the equivalent of a government employment agreement.

*“The power to “legislate generally upon” life, liberty, and property, as opposed to the “power to provide modes of redress” against offensive state action, was “repugnant” to the Constitution. Id., at 15. See also United States v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106 U.S. 629, 639 (1883); James v. Bowman, 190 U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964); United States v. Guest, 383 U.S. 745 (1966), their treatment of Congress’ §5 power as corrective or preventive, not definitional, has not been questioned.”*  
*[City of Boerne v. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997)]*

What the U.S. Supreme Court is saying above is that the government has no authority to tell you how to run your private life. This is contrary to the whole idea of the Internal Revenue Code, whose main purpose is to monitor and control every aspect of those who are subject to it. In fact, it has become the chief means for Congress to implement what we call “social engineering”. Just by the deductions they offer, people who are not engaged in a “trade or business” and thus have no income tax liability are incentivized into all kinds of crazy behaviors in pursuit of reductions in a liability that they in fact do not even have. Therefore, the only reasonable thing to conclude is that Subtitle A of the Internal Revenue Code, which would “appear” to regulate the private conduct of all individuals in states of the Union, in fact only applies to “public officials” in the official conduct of their duties while present in the District of Columbia, which 4 U.S.C. §72 makes the “seat of government”. The I.R.C. therefore essentially amounts to a part of the job responsibility and the “employment contract” of “public officials”. This was also confirmed by the House of Representatives, who said that only those who take an oath of “public office” are subject to the requirements of the personal income tax. See:

<http://famguardian.org/Subjects/Taxes/Evidence/PublicOrPrivate-Tax-Return.pdf>

We the People, as the Sovereigns, cannot lawfully become the proper subject to exclusive federal jurisdiction unless and until we surrender our sovereignty by signing a government employment agreement that can take many different forms: W-4, SS-5, 1040, etc.

California Civil Code  
DIVISION 3. OBLIGATIONS  
PART 2. CONTRACTS  
TITLE 1. NATURE OF A CONTRACT  
CHAPTER 3. CONSENT

*1589. A voluntary acceptance of the benefit of a transaction is equivalent to a consent to all the obligations arising from it, so far as the facts are known, or ought to be known, to the person accepting.*

[SOURCE:  
<http://www.leginfo.ca.gov/cgi-bin/displaycode?section=civ&group=01001-02000&file=1565-1590>]

The W-4 is a federal “election” form and you are the only voter. They are asking you if you want to elect yourself into “public office”, and if you say “yes”, then you got the job and a cage is reserved for you on the federal plantation:

*“The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. Kelley v. Johnson, 425 U.S. 238, 247 (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. O’Connor v. Ortega, 480 U.S. 709, 723 (1987)*



(plurality opinion); *id.*, at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. *Gardner v. Broderick*, [497 U.S. 62, 95] 392 U.S. 273, 277-278 (1968). With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. *Connick v. Myers*, 461 U.S. 138, 147 (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. *Public Workers v. Mitchell*, 330 U.S. 75, 101 (1947); *Civil Service Comm'n v. Letter Carriers*, 413 U.S. 548, 556 (1973); *Broadrick v. Oklahoma*, 413 U.S. 601, 616-617 (1973)."  
[*Rutan v. Republican Party of Illinois*, 497 U.S. 62 (1990)]

By making you into a "public official" or "employee", they are intentionally destroying the separation of powers that is the main purpose of the Constitution and which was put there to protect your rights.

"To the contrary, **the Constitution divides authority between federal and state governments for the protection of individuals. State sovereignty is not just an end in itself: "Rather, federalism secures to citizens the liberties that derive from the diffusion of sovereign power."** *Coleman v. Thompson*, 501 U.S. 722, 759 (1991) (BLACKMUN, J., dissenting). "Just as the separation and independence of the coordinate branches of the Federal Government serve to prevent the accumulation of excessive power in any one branch, a healthy balance of power between the States and the Federal Government will reduce the risk of tyranny and abuse from either front." *Gregory v.* [505 U.S. 144, 182] *Ashcroft*, 501 U.S., at 458. See *The Federalist* No. 51, p. 323. (C. Rossiter ed. 1961)."  
[*New York v. United States*, 505 U.S. 144 (1992)]

They are causing you to voluntarily waive sovereign immunity under the Foreign Sovereign Immunities Act, 28 U.S.C. §1601-1611. 28 U.S.C. §1605(a)(2) of the act says that those who conduct "commerce" within the legislative jurisdiction of the "United States" (federal zone), whether as public official or federal benefit recipient, surrender their sovereign immunity.

TITLE 28 > PART IV > CHAPTER 97 > § 1605  
§ 1605. General exceptions to the jurisdictional immunity of a foreign state

(a) A foreign state shall not be immune from the jurisdiction of courts of the United States or of the States in any case—

(2) in which the action is based upon a commercial activity carried on in the United States by the foreign state; or upon an act performed in the United States in connection with a commercial [employment or federal benefit] activity of the foreign state elsewhere; or upon an act outside the territory of the United States in connection with a commercial activity of the foreign state elsewhere and that act causes a direct effect in the United States;

They are also destroying the separation of powers by fooling you into declaring yourself to be a *statutory* "U.S.\*\* citizen" under 8 U.S.C. §1401. 28 U.S.C. §1603(b)(3) and 28 U.S.C. §1332(e) specifically exclude such statutory "U.S. citizens" from being foreign sovereigns who can file under statutory diversity of citizenship. This is also confirmed by the Department of State Website:

"Section 1603(b) defines an "agency or instrumentality" of a foreign state as an entity (1) which is a separate legal person, corporate or otherwise, and (2) which is an organ of a foreign state or political subdivision thereof, or a majority of whose shares or other ownership interest is owned by a foreign state or political subdivision thereof, and (3) **which is neither a citizen of the a state of the United States as defined in Sec. 1332(e) nor created under the laws of any third country.**"  
[Department of State Website, [http://travel.state.gov/law/info/judicial/judicial\\_693.html](http://travel.state.gov/law/info/judicial/judicial_693.html)]

In effect, they kidnapped your legal identity and made you into a "resident alien federal employee" working in the "king's castle", the District of Criminals, and changed your status from "foreign" to "domestic" by creating false presumptions about citizenship and using the Social Security Number, IRS Form W-4, and SSA Form SS-5 to make you into a "subject citizen" and a "public employee" with no constitutional rights.

The nature of most federal law as private/contract law is carefully explained below:

Requirement for Consent, Form #05.003  
<http://sedm.org/Forms/FormIndex.htm>

As you will soon read, the government uses various ways to mislead and trick us into their private/contract laws (outside

our Constitutional protections) and make you into the equivalent of their “employee”, and thereby commits a great fraud on the American People. It is the purpose of this document to expose the most important aspect of that willful deception, which is the citizenship trap.

## **5 Two Taxing Jurisdictions under the I.R.C.: “National” v. “Federal”**

This chapter concerns itself with the authority of the federal government to enforce the payment of taxes within the two main jurisdictions created by the separation of powers doctrine. It is a fact that the United States Congress legislates for two separate legal and political and territorial jurisdictions:

1. The states of the Union under the requirements of the Constitution of the United States. In this capacity, it is called the “federal/general government”.
2. The District of Columbia, U.S. possessions and territories, and enclaves within the states. In this capacity, it is called the “national government”. The authority for this jurisdiction derives from Article 1, Section 8, Clause 17 of the United States Constitution. All laws passed essentially amount to municipal laws for federal property, and in that capacity, Congress is not restrained by either the Constitution or the Bill of Rights. We call the collection of all federal territories, possessions, and enclaves within the states “the federal zone” throughout this document.

The U.S. Supreme Court confirmed the above when it said:

*“It is clear that Congress, as a legislative body, exercise two species of legislative power: the one, limited as to its objects, but extending all over the Union; the other, an absolute, exclusive legislative power over the District of Columbia. The preliminary inquiry in the case now before the Court, is, by virtue of which of these authorities was the law in question passed?”*  
*[Cohens v. Virginia, 19 U.S. 264, 6 Wheat. 265; 5 L.Ed. 257 (1821)]*

James Madison, one of our founding fathers, described these two separate jurisdictions in Federalist Paper No. 39, when he said:

*First. In order to ascertain the real character of the government, it may be considered in relation to the foundation on which it is to be established; to the sources from which its ordinary powers are to be drawn; to the operation of those powers; to the extent of them; and to the authority by which future changes in the government are to be introduced.*

*On examining the first relation, it appears, on one hand, that the Constitution is to be founded on the assent and ratification of the people of America, given by deputies elected for the special purpose; but, on the other, that this assent and ratification is to be given by the people, not as individuals composing one entire nation, but as composing the distinct and independent States to which they respectively belong. It is to be the assent and ratification of the several States, derived from the supreme authority in each State, the authority of the people themselves. The act, therefore, establishing the Constitution, will not be a NATIONAL, but a FEDERAL act.*

*That it will be a federal and not a national act, as these terms are understood by the objectors; the act of the people, as forming so many independent States, not as forming one aggregate nation, is obvious from this single consideration, that it is to result neither from the decision of a MAJORITY of the people of the Union, nor from that of a MAJORITY of the States. It must result from the UNANIMOUS assent of the several States that are parties to it, differing no otherwise from their ordinary assent than in its being expressed, not by the legislative authority, but by that of the people themselves. Were the people regarded in this transaction as forming one nation, the will of the majority of the whole people of the United States would bind the minority, in the same manner as the majority in each State must bind the minority; and the will of the majority must be determined either by a comparison of the individual votes, or by considering the will of the majority of the States as evidence of the will of a majority of the people of the United States. Neither of these rules have been adopted. Each State, in ratifying the Constitution, is considered as a sovereign body, independent of all others, and only to be bound by its own voluntary act. In this relation, then, the new Constitution will, if established, be a FEDERAL, and not a NATIONAL constitution.*

*The next relation is, to the sources from which the ordinary powers of government are to be derived. The House of Representatives will derive its powers from the people of America; and the people will be represented in the same proportion, and on the same principle, as they are in the legislature of a particular State. So far the government is NATIONAL, not FEDERAL. The Senate, on the other hand, will derive its powers from the States, as political and coequal societies; and these will be represented on the principle of equality in the Senate, as they now are in the existing Congress. So far the government is FEDERAL, not NATIONAL. The executive power will be derived from a very compound source. The immediate election of the President is to be made by the States in their political characters. The votes allotted to them are in a compound ratio, which considers them partly as distinct and coequal societies, partly as unequal members of the same*

society. The eventual election, again, is to be made by that branch of the legislature which consists of the national representatives; but in this particular act they are to be thrown into the form of individual delegations, from so many distinct and coequal bodies politic. From this aspect of the government it appears to be of a mixed character, presenting at least as many FEDERAL as NATIONAL features.

The difference between a federal and national government, as it relates to the OPERATION OF THE GOVERNMENT, is supposed to consist in this, that in the former the powers operate on the political bodies composing the Confederacy, in their political capacities; in the latter, on the individual citizens composing the nation, in their individual capacities. On trying the Constitution by this criterion, it falls under the NATIONAL, not the FEDERAL character; though perhaps not so completely as has been understood. In several cases, and particularly in the trial of controversies to which States may be parties, they must be viewed and proceeded against in their collective and political capacities only. So far the national countenance of the government on this side seems to be disfigured by a few federal features. But this blemish is perhaps unavoidable in any plan; and the operation of the government on the people, in their individual capacities, in its ordinary and most essential proceedings, may, on the whole, designate it, in this relation, a NATIONAL government.

But if the government be national with regard to the OPERATION of its powers, it changes its aspect again when we contemplate it in relation to the EXTENT of its powers. The idea of a national government involves in it, not only an authority over the individual citizens, but an indefinite supremacy over all persons and things, so far as they are objects of lawful government. Among a people consolidated into one nation, this supremacy is completely vested in the national legislature. Among communities united for particular purposes, it is vested partly in the general and partly in the municipal legislatures. In the former case, all local authorities are subordinate to the supreme; and may be controlled, directed, or abolished by it at pleasure. In the latter, the local or municipal authorities form distinct and independent portions of the supremacy, no more subject, within their respective spheres, to the general authority, than the general authority is subject to them, within its own sphere. In this relation, then, the proposed government cannot be deemed a NATIONAL one; since its jurisdiction extends to certain enumerated objects only, and leaves to the several States a residuary and inviolable sovereignty over all other objects. It is true that in controversies relating to the boundary between the two jurisdictions, the tribunal which is ultimately to decide, is to be established under the general government. But this does not change the principle of the case. The decision is to be impartially made, according to the rules of the Constitution; and all the usual and most effectual precautions are taken to secure this impartiality. Some such tribunal is clearly essential to prevent an appeal to the sword and a dissolution of the compact; and that it ought to be established under the general rather than under the local governments, or, to speak more properly, that it could be safely established under the first alone, is a position not likely to be combated.

If we try the Constitution by its last relation to the authority by which amendments are to be made, we find it neither wholly NATIONAL nor wholly FEDERAL. Were it wholly national, the supreme and ultimate authority would reside in the MAJORITY of the people of the Union; and this authority would be competent at all times, like that of a majority of every national society, to alter or abolish its established government. Were it wholly federal, on the other hand, the concurrence of each State in the Union would be essential to every alteration that would be binding on all. The mode provided by the plan of the convention is not founded on either of these principles. In requiring more than a majority, and principles. In requiring more than a majority, and particularly in computing the proportion by STATES, not by CITIZENS, it departs from the NATIONAL and advances towards the FEDERAL character; in rendering the concurrence of less than the whole number of States sufficient, it loses again the FEDERAL and partakes of the NATIONAL character.

The proposed Constitution, therefore, is, in strictness, neither a national nor a federal Constitution, but a composition of both. In its foundation it is federal, not national; in the sources from which the ordinary powers of the government are drawn, it is partly federal and partly national; in the operation of these powers, it is national, not federal; in the extent of them, again, it is federal, not national; and, finally, in the authoritative mode of introducing amendments, it is neither wholly federal nor wholly national.

PUBLIUS.  
[[Federalist Paper No. 39](#), James Madison]

Based on Madison's comments, a "national government" operates upon and derives its authority from individual citizens whereas a "federal government" operates upon and derives its authority from states. The only place where the central government may operate directly upon the individual through the authority of law is within federal territory. Hence, when courts use the word "national government", they are referring to federal territory only and to no part of any state of the Union. The federal government has no jurisdiction within a state of the Union and therefore cannot operate directly upon the individual there.

"It is no longer open to question that the general government, unlike the states, [Hammer v. Dagenhart](#), [247 U.S. 251, 275](#), 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, possesses no inherent power in respect of the internal affairs of the states; and emphatically not with regard to legislation."  
[[Carter v. Carter Coal Co.](#), [298 U.S. 238](#), 56 S.Ct. 855 (1936)]



The rights of life and personal liberty are natural rights of man. 'To secure these rights,' says the Declaration of Independence, 'governments are instituted among men, deriving their just powers from the consent of the governed.' The very highest duty of the States, when they entered into the Union under the Constitution, was to protect all persons within their boundaries in the enjoyment of these 'unalienable rights with which they were endowed by their Creator.' Sovereignty, for this purpose, rests alone with the States. It is no more the duty or within the power of the United States to punish for a conspiracy \*554 to falsely imprison or murder within a State, than it would be to punish for false imprisonment or murder itself.

The fourteenth amendment prohibits a State from denying to any person within its jurisdiction the equal protection of the laws; but this provision does not, any more than the one which precedes it, and which we have just considered, add any thing \*555 to the rights which one citizen has under the Constitution against another. The equality of the rights of citizens is a principle of republicanism. Every republican government is in duty bound to protect all its citizens in the enjoyment of this principle, if within its power. That duty was originally assumed by the States; and it still remains there. The only obligation resting upon the United States is to see that the States do not deny the right. This the amendment guarantees, but no more. The power of the national government is limited to the enforcement of this guaranty.  
[U.S. v. Cruikshank, 92 U.S. 542, 1875 WL 17550 (U.S.,1875)]

These two political/legal jurisdictions, federal territory v. states of the Union, are separate sovereignties, and the Constitution dictates that these two distinct sovereignties MUST remain separate because of the Separation of Powers Doctrine:

"§79. This sovereignty pertains to the people of the United States as national citizens only, and not as citizens of any other government. There cannot be two separate and independent sovereignties within the same limits or jurisdiction; nor can there be two distinct and separate sources of sovereign authority within the same jurisdiction. The right of commanding in the last resort can be possessed only by one body of people inhabiting the same territory,' and can be executed only by those intrusted with the execution of such authority."  
[Treatise on Government, Joel Tiffany, p. 49, Section 78;  
SOURCE: <http://famguardian.org/Publications/TreatiseOnGovernment/TreatOnGovt.pdf>]

The vast majority of all laws passed by Congress apply to the latter jurisdiction above: the federal zone. The Internal Revenue Code actually describes the revenue collection "scheme" for these two completely separate political and legal jurisdictions and the table below compares the two. In the capacity as the "national government", the I.R.C. in Subtitles A (income tax), B (inheritance tax), and C (employment tax) acts as the equivalent of a state income tax for the municipal government of the District of Columbia only. In the capacity of the "federal government", the I.R.C. in subtitle D acts as an excise tax on imports only. The difference between the "national government" and the "federal/general government" is discussed in section 4.7 of the Great IRS Hoax, Form #11.302, if you would like to review:

1 **Table 3: Two jurisdictions within the I.R.C.**

| #  | Description   | Legislative jurisdiction   |  |
|----|---|--|--|
|    |   | "National government" of the District of Columbia  | "Federal government" of the states of the Union  |
| 1  | Constitutional authority for revenue collection           | <a href="#">Article 1, Section 8</a> , Clause 1<br><a href="#">Article 1, Section 8</a> , Clause 17  | <a href="#">Article 1, Section 8</a> , Clause 3  |
| 2  | Type of jurisdiction exercised                            | Plenary<br>Exclusive   | Subject matter   |
| 3  | Nature of tax   | Indirect excise tax upon privileges of federal employment ("public office")  | Indirect excise tax on <u>imports only</u><br>Excludes <u>exports</u> from states (Constitution 1:9:5)<br>Excludes commerce exclusively <u>within</u> states |
| 4  | Taxable objects   | <i>Internal</i> to the Federal zone  | <i>External</i> to the states of the Union   |
| 5  | Region to which collections apply                         | Federal zone ONLY: District of Columbia, territories and possessions of the United States  | The 50 states, harbors, ports of entry for imports   |
| 6  | Revenue Collection Agency                                 | <a href="#">Internal Revenue Service (IRS)</a>   | <a href="#">U.S. Customs (Dept. of the Treasury)</a>   |
| 7  | Authority for collection within the Internal Revenue Code | <a href="#">Subtitle A: Income Taxes</a><br><a href="#">Subtitle B: Estate and Gift taxes</a><br><a href="#">Subtitle C: Employment taxes</a><br><a href="#">Subtitle E: Alcohol, Tobacco, and Certain Other Excise Taxes</a>  | <a href="#">Subtitle D: Miscellaneous Excise Taxes</a>   |
| 8  | Revenue collection applies to                             | 1. Federal "employees", or those engaged in a "public office".<br>2. "U.S. citizens" under <a href="#">8 U.S.C. §1401</a> living abroad in receipt of federal payments.  | Federal corporations involved in foreign commerce  |
| 9  | Taxable "activities"                                      | 1. "trade or business", which is defined as "the functions of a public office" in <a href="#">26 U.S.C. §7701(a)(26)</a> , conducted within the "District of Columbia" which is defined as the "United States" in <a href="#">26 U.S.C. §7701(a)(9)</a> and (a)(10).<br>2. Transfer of property from people who died in the federal zone to their heirs (I.R.C. Subtitle B). | Foreign Commerce under <a href="#">26 U.S.C. §7001</a> .   |
| 10 | Revenues pay for  | <a href="#">Socialism/communism</a>  | Protection of states of the Union, including military, courts, and jails.  |
| 11 | Revenue collection functions like                         | Municipal/state government income tax  | Federal tax on foreign commerce  |
| 12 | Definition of the term "United States" found in           | 1. <a href="#">26 U.S.C. §7701(a)(9)</a> and (a)(10)<br>2. <a href="#">26 U.S.C. §3121(e)</a>  | <a href="#">26 U.S.C. §4612</a>  |
| 13 | Example "taxes"   | 1. W-4 withholding on federal "employees"<br>2. Estate taxes<br>3. Social security<br>4. Medicare<br>5. Alcohol, tobacco, and firearms under U.S.C. Title 27   | Taxes on imported fuels  |
| 14 | Applicable tax forms                                      | 941, 1040, 1040NR, 1120, W-2, W-4  | CF 6084 (customs bill)   |

2 The "plenary" jurisdiction described above means exclusive sovereignty which is not shared by any other sovereignty and  
3 which is exercised over territorial lands owned by or ceded to the federal government under Article 1, Section 8, Clause 17

#### Nonresident Alien Position

Copyright Sovereignty Education and Defense Ministry, <http://sedm.org>  
Form 05.020, Rev. 9-20-2009

54 of 327

EXHIBIT: \_\_\_\_\_

of the Constitution. Here is a cite that helps confirm what we are saying about the “plenary” word above:

*"In dealing with the meaning and application of an act of Congress enacted in the exercise of its **plenary power under the Constitution to tax income and to grant exemptions from that tax [in its own territories and possessions ONLY but NOT in the states of the Union]**, it is the will of Congress which controls, and the expression of its will, in the absence of language evidencing a different purpose, should be interpreted 'so as to give a uniform application to a nation-wide scheme of taxation'. Burnet v. Harmel, [287 U.S. 103, 110](#), 53 S.Ct. 74, 77. Congress establishes its own criteria and the **state law may control [in federal territories and possessions] only when the federal taxing act by express language or necessary implication makes its operation dependent upon state law**. Burnet v. Harmel, supra. See Burk-Waggoner Oil Association v. Hopkins, [269 U.S. 110, 111](#), 114 S., 46 S.Ct. 48, 49; Weiss v. Wiener, [279 U.S. 333](#), 49 S.Ct. 337; Morrissey v. Commissioner, [296 U.S. 344, 356](#), 56 S.Ct. 289, 294. Compare Crooks v. Harrelson, [282 U.S. 55, 59](#), 51 S.Ct. 49, 50; Poe v. Seaborn, [282 U.S. 101, 109](#), 110 S., 51 S.Ct. 58; Blair v. Commissioner, [300 U.S. 5, 9](#), 10 S., 57 S.Ct. 330, 331."  
[Lyeth v. Hoey, [305 U.S. 188, 59 S. Ct 155 \(1938\)](#)]*

Why is such jurisdiction “plenary” or “exclusive”? Because all those who file IRS Form 1040 returns implicitly consent to be treated as “virtual residents” of the District of Columbia, over which Congress has exclusive legislative jurisdiction under [Article 1, Section 8](#), Clause 17 of the Constitution!:

[TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.](#)  
[Sec. 7701. – Definitions](#)

(a)(39) Persons residing outside [the federal] United States

*If any citizen or resident of the United States does not reside in (and is not found in) any United States judicial district, such citizen or resident shall be treated as residing in the District of Columbia for purposes of any provision of this title relating to -*

(A) jurisdiction of courts, or  
(B) enforcement of summons.

Because kidnapping is illegal under [18 U.S.C. §1201](#), people living in states of the Union subject to the provisions above must be volunteers and must explicitly consent to participate in federal taxation by filling out the WRONG tax form, which is the 1040, and signing it under penalty of perjury. The *IRS Published Products Catalog for 2003, Document 7130* confirms that those who file IRS Form 1040 do indeed declare themselves to be “citizens or residents of the [federal] United States”, which is untrue for the vast majority of Americans:

1040A 11327A Each  
U.S. Individual Income Tax Return

Annual income tax return **filed by citizens and residents of the United States**. There are separate instructions available for this item. The catalog number for the instructions is 12088U.

W:CAR:MP:FP:F:I Tax Form or Instructions  
[[IRS Published Products Catalog](#), Year 2003, p. F-15]

It is also worth noting that the term “individual” as used above is NOWHERE defined in the Internal Revenue Code and that the ONLY definition we have found describes ONLY federal “employees”, in 5 U.S.C. §552a(a)(2). This is further exhaustively analyzed in the fascinating memorandum of law below to conclude that the main “taxpayers” under Internal Revenue Code, Subtitle A are all “public officers” who work for or are instrumentalities of the national and not federal government:

[Why Your Government is Either a Thief or You are a “Public Officer” for Income Tax Purposes](#), Form #05.008  
<http://sedm.org/Forms/FormIndex.htm>

If American Nationals domiciled in the states of the Union would learn to file with their correct status using the form 1040NR as “nationals” and “nonresident aliens”, then most Americans wouldn’t owe anything under the provisions of [26 U.S.C. §871](#)! The U.S. Congress and their IRS henchmen have become “sheep poachers”, where you, a person living in state of the Union and outside of federal legislative jurisdiction, are the “sheep”. They are “legally kidnapping” people away from the Constitutional protections of their domicile within states using deceptive forms so that they volunteer into exclusive federal jurisdiction.



1 Notice the use of the term “nation-wide” in the *Lyeth* case above, which we now know means the “national government” in  
2 the context of its jurisdiction over federal territories, possessions, and the District of Columbia and which excludes states of  
3 the Union. They are just reiterating that federal jurisdiction over the federal zone is “exclusive” and “plenary” and that  
4 state law only applies where Congress consents to delegate authority, under the rules of “comity”, to the state relating to  
5 taxing matters over federal areas within the exterior limits of a state.

6 *“comity. Courtesy; complaisance; respect; a willingness to grant a privilege, not as a matter of right, but out*  
7 *of deference and good will. Recognition that one sovereignty allows within its territory to the legislative,*  
8 *executive, or judicial act of another sovereignty, having due regard to rights of its own citizens. Nowell v.*  
9 *Nowell, Tex.Civ.App., 408 S.W.2d 550, 553. In general, principle of “comity” is that courts of one state or*  
10 *jurisdiction will give effect to laws and judicial decisions of another state or jurisdiction, not as a matter of*  
11 *obligation, but out of deference and mutual respect. Brown v. Babbitt Ford, Inc., 117 Ariz. 192, 571 P.2d 689,*  
12 *695. See also Full faith and credit clause.”*  
13 *[Black’s Law Dictionary, Sixth Edition, p. 267]*

14 An example of this kind of “comity” is the Buck Act, [4 U.S.C. §§110-113](#), in which [4 U.S.C. §106](#) delegates authority to  
15 federal territories and possessions, but not states of the Union, to tax areas within their boundaries subject to exclusive  
16 federal jurisdiction. That jurisdiction then is mentioned in the context of [5 U.S.C. §5517](#) as applying ONLY to federal  
17 “employees”.

18 The above table is confirmed by the Supreme Court in the case of *Downes v. Bidwell*, which said on the subjects covered by  
19 the table:

20 *“Loughborough v. Blake, 5 Wheat. 317, 5 L.Ed. 98, was an action of trespass or, as appears by the original*  
21 *record, replevin, brought in the circuit court for the District of Columbia to try the right of Congress to impose*  
22 *a direct tax for general purposes on that District. 3 Stat. at L. 216, chap. 60. It was insisted that Congress*  
23 *could act in a double capacity: in one as legislating [182 U.S. 244, 260] for the states; in the other as a local*  
24 *legislature for the District of Columbia. In the latter character, it was admitted that the power of levying direct*  
25 *taxes might be exercised, but for District purposes only, as a state legislature might tax for state purposes; but*  
26 *that it could not legislate for the District under art. 1, 8, giving to Congress the power 'to lay and collect taxes,*  
27 *imposts, and excises,' which 'shall be uniform throughout the United States,' inasmuch as the District was no*  
28 *part of the United States [described in the Constitution]. It was held that the grant of this power was a general*  
29 *one without limitation as to place, and consequently extended to all places over which the government extends;*  
30 *and that it extended to the District of Columbia as a constituent part of the United States. The fact that art. 1, 2,*  
31 *declares that 'representatives and direct taxes shall be apportioned among the several states . . . according to*  
32 *their respective numbers' furnished a standard by which taxes were apportioned, but not to exempt any part of*  
33 *the country from their operation. 'The words used do not mean that direct taxes shall be imposed on states only*  
34 *which are represented, or shall be apportioned to representatives; but that direct taxation, in its application to*  
35 *states, shall be apportioned to numbers.' That art. 1, 9, 4, declaring that direct taxes shall be laid in proportion*  
36 *to the census, was applicable to the District of Columbia, 'and will enable Congress to apportion on it its just*  
37 *and equal share of the burden, with the same accuracy as on the respective states. If the tax be laid in this*  
38 *proportion, it is within the very words of the restriction. It is a tax in proportion to the census or enumeration*  
39 *referred to.' It was further held that the words of the 9th section did not 'in terms require that the system of*  
40 *direct taxation, when resorted to, shall be extended to the territories, as the words of the 2d section require that*  
41 *it shall be extended to all the states. They therefore may, without violence, be understood to give a rule when*  
42 *the territories shall be taxed, without imposing the necessity of taxing them.”*

43 *“There could be no doubt as to the correctness of this conclusion, so far, at least, as it applied to the District*  
44 *of Columbia. This District had been a part of the states of Maryland and [182 U.S. 244, 261] Virginia. It had*  
45 *been subject to the Constitution, and was a part of the United States[\*\*\*]. The Constitution had attached to it*  
46 *irrevocably. There are steps which can never be taken backward. The*  
47 *tie that bound the states of Maryland and Virginia to the Constitution could not be dissolved, without at least*  
48 *the consent of the Federal and state governments to a formal separation. The mere cession of the District of*  
49 *Columbia to the Federal government relinquished the authority of the states, but it did not take it out of the*  
50 *United States or from under the aegis of the Constitution. Neither party had ever consented to that*  
51 *construction of the cession. If, before the District was set off, Congress had passed an unconstitutional act*  
52 *affecting its inhabitants, it would have been void. If done after the District was created, it would have been*  
53 *equally void; in other words, Congress could not do indirectly, by carving out the District, what it could not do*  
54 *directly. The District still remained a part of the United States, protected by the Constitution. Indeed, it would*  
55 *have been a fanciful construction to hold that territory which had been once a part of the United States ceased*  
56 *to be such by being ceded directly to the Federal government.”*

57 [. . .]

58 *“Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and*  
59 *uniform to the effect [182 U.S. 244, 279] that the Constitution is applicable to territories acquired by purchase*

1 or conquest, only when and so far as Congress shall so direct. Notwithstanding its duty to 'guarantee to every  
2 state in this Union a republican form of government' (art. 4, 4), by which we understand, according to the  
3 definition of Webster, 'a government in which the supreme power resides in the whole body of the people, and is  
4 exercised by representatives elected by them,' Congress did not hesitate, in the original organization of the  
5 territories of Louisiana, Florida, the Northwest Territory, and its subdivisions of Ohio, Indiana, Michigan,  
6 Illinois, and Wisconsin and still more recently in the case of Alaska, to establish a form of government bearing  
7 a much greater analogy to a British Crown colony than a republican state of America, and to vest the  
8 legislative power either in a governor and council, or a governor and judges, to be appointed by the President.  
9 It was not until they had attained a certain population that power was given them to organize a legislature by  
10 vote of the people. In all these cases, as well as in territories subsequently organized west of the Mississippi,  
11 Congress thought it necessary either to extend to Constitution and laws of the United States over them, or to  
12 declare that the inhabitants should be entitled to enjoy the right of trial by jury, of bail, and of the privilege of  
13 the writ of habeas corpus, as well as other privileges of the bill of rights."  
14 [Downes v. Bidwell, [182 U.S. 244](#) (1901)]

## 15 **6 Why states of the Union are “Foreign Countries” and “foreign states” with** 16 **respect to federal jurisdiction**

17 The several states of the Union of states, collectively referred to as the United States of America or the “freely associated  
18 compact states”, are considered to be “foreign countries” and “foreign states” with respect to the federal government. Here  
19 is the definition of the term “foreign country” right from the Treasury Regulations:

20 26 CFR §1.911-2(h): The term "foreign country" when used in a geographical sense includes any territory  
21 under the sovereignty of a government other than that of the United States\*\*. It includes the territorial waters  
22 of the foreign country (determined in accordance with the laws of the United States\*\*), the air space over the  
23 foreign country, and the seabed and subsoil of those submarine areas which are adjacent to the territorial  
24 waters of the foreign country and over which the foreign country has exclusive rights, in accordance with  
25 international law, with respect to the exploration and exploitation of natural resources.

26 Black's Law Dictionary, Sixth Edition, p. 498 helps make the distinction clear that the 50 Union states are foreign  
27 countries:

28 Dual citizenship. Citizenship in two different **countries**. Status of citizens of United States who reside  
29 within a state; i.e., person who are born or naturalized in the U.S. are citizens of the U.S. and the state wherein  
30 they reside.  
31 [Black's Law Dictionary, Sixth Edition, p. 498]

32 Positive law from Title 28 of the U.S. Code agrees that states of the Union are foreign with respect to federal jurisdiction:

33 [TITLE 28 > PART I > CHAPTER 13 > Sec. 297.](#)  
34 [Sec. 297. - Assignment of judges to courts of the freely associated compact states](#)

35 (a) The Chief Justice or the chief judge of the United States Court of Appeals for the Ninth Circuit may assign  
36 any circuit or district judge of the Ninth Circuit, with the consent of the judge so assigned, to serve  
37 temporarily as a judge of any duly constituted court of the freely associated compact states whenever an  
38 official duly authorized by the laws of the respective compact state requests such assignment and such  
39 assignment is necessary for the proper dispatch of the business of the respective court.

40 (b) The Congress consents to the acceptance and retention by any judge so authorized of reimbursement from  
41 the countries referred to in subsection (a) of all necessary travel expenses, including transportation, and  
42 of subsistence, or of a reasonable per diem allowance in lieu of subsistence. The judge shall report to the  
43 Administrative Office of the United States Courts any amount received pursuant to this subsection

44 Definitions from Black's Law Dictionary:

45 Foreign States: "Nations outside of the United States...Term may also refer to another state; i.e. a sister state.  
46 The term 'foreign nations', ...should be construed to mean all nations and states other than that in which the  
47 action is brought; and hence, one state of the Union is foreign to another, in that sense."  
48 [Black's Law Dictionary, Sixth Edition, p. 648]

49 Foreign Laws: "The laws of a foreign country or sister state."  
50 [Black's Law Dictionary, Sixth Edition, p. 647]

**Dual citizenship.** Citizenship in two different **countries**. Status of citizens of United States who reside within a state; i.e., person who are born or naturalized in the U.S. are citizens of the U.S. and the state wherein they reside.  
[Black's Law Dictionary, Sixth Edition, p. 498]

The legal encyclopedia Corpus Juris Secundum says on this subject:

"Generally, the states of the Union sustain toward each other the relationship of independent sovereigns or independent foreign states, except in so far as the United States is paramount as the dominating government, and in so far as the states are bound to recognize the fraternity among sovereignties established by the federal Constitution, as by the provision requiring each state to give full faith and credit to the public acts, records, and judicial proceedings of the other states..."  
[81A Corpus Juris Secundum (C.J.S.) §29, legal encyclopedia]

The phrase "except in so far as the United States is paramount" refers to subject matters delegated to the national government under the United States Constitution. For all such subject matters ONLY, "acts of Congress" are NOT foreign and therefore are regarded as "domestic". All such subject matters are summarized below. Every other subject matter is legislatively "foreign" and therefore "alien":

1. Excise taxes upon imports from foreign countries. See Article 1, Section 8, Clause 1 of the U.S. Constitution. Congress may NOT, however, tax any article exported from a state pursuant to Article 1, Section 9, Clause 5 of the Constitution. Other than these subject matters, NO national taxes are authorized:

**"The States, after they formed the Union, continued to have the same range of taxing power which they had before, barring only duties affecting exports, imports, and on tonnage. 2** Congress, on the other hand, to lay taxes in order 'to pay the Debts and provide for the common Defence and general Welfare of the United States', Art. 1, Sec. 8, U.S.C.A.Const., can reach every person and every dollar in the land with due regard to Constitutional limitations as to the method of laying taxes."  
[Graves v. People of State of New York, 306 U.S. 466 (1939)]

---

"The difficulties arising out of our dual form of government and the opportunities for differing opinions concerning the relative rights of state and national governments are many; **but for a very long time this court has steadfastly adhered to the doctrine that the taxing power of Congress does not extend to the states or their political subdivisions.** The same basic reasoning which leads to that conclusion, we think, requires like limitation upon the power which springs from the bankruptcy clause. United States v. Butler, supra."  
[Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513; 56 S.Ct. 892 (1936)]

---

"Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.

But very different considerations apply to the **internal commerce** or **domestic trade** of the **States**. Over this commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs **exclusively** to the States. **No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the legislature.** The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects. Congress cannot authorize a trade or business within a State in order to tax it."  
[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]

2. Postal fraud. See Article 1, Section 8, Clause 7 of the U.S. Constitution..
3. Counterfeiting under Article 1, Section 8, Clause 6 of the U.S. Constitution.
4. Treason under Article 4, Section 2, Clause 3 of the U.S. Constitution.
5. Interstate commercial crimes under Article 1, Section 8, Clause 3 of the U.S. Constitution.
6. Jurisdiction over naturalization and exportation of Constitutional aliens.



7. Slavery, involuntary servitude, or peonage under the Thirteenth Amendment, 42 U.S.C. §1994, 18 U.S.C. §1581. and 18 U.S.C. §1589(3).

"Other authorities to the same effect might be cited. It is not open to doubt that Congress may enforce the Thirteenth Amendment by direct legislation, punishing the holding of a person in slavery or in involuntary servitude except as a punishment for a crime. In the exercise of that power Congress has enacted these sections denouncing peonage, and punishing one who holds another in that condition of involuntary servitude. This legislation is not limited to the territories or other parts of the strictly national domain, but is operative in the states and wherever the sovereignty of the United States extends. We entertain no doubt of the validity of this legislation, or of its applicability to the case of any person holding another in a state of peonage, and this whether there be municipal ordinance or state law sanctioning such holding. It operates directly on every citizen of the Republic, wherever his residence may be." [Clyatt v. U.S., 197 U.S. 207 (1905)]

The Courts also agrees with this interpretation:

"It is no longer open to question that the general government, unlike the states, Hammer v. Dagenhart, 247 U.S. 251, 275, 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, possesses no inherent power in respect of the internal affairs of the states; and emphatically not with regard to legislation." [Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936) ]

"The difficulties arising out of our dual form of government and the opportunities for differing opinions concerning the relative rights of state and national governments are many; but for a very long time this court has steadfastly adhered to the doctrine that the taxing power of Congress does not extend to the states or their political subdivisions. The same basic reasoning which leads to that conclusion, we think, requires like limitation upon the power which springs from the bankruptcy clause. United States v. Butler, supra." [Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513, 56 S.Ct. 892 (1936)]

"The States between each other are sovereign and independent. They are distinct and separate sovereignties, except so far as they have parted with some of the attributes of sovereignty by the Constitution. They continue to be nations, with all their rights, and under all their national obligations, and with all the rights of nations in every particular; except in the surrender by each to the common purposes and objects of the Union, under the Constitution. The rights of each State, when not so yielded up, remain absolute." [Bank of Augusta v. Earle, 38 U.S. (13 Pet.) 519, 10 L.Ed. 274 (1839)]

"In determining the boundaries of apparently conflicting powers between states and the general government, the proper question is, not so much what has been, in terms, reserved to the states, as what has been, expressly or by necessary implication, granted by the people to the national government; for each state possess all the powers of an independent and sovereign nation, except so far as they have been ceded away by the constitution. The federal government is but a creature of the people of the states, and, like an agent appointed for definite and specific purposes, must show an express or necessarily implied authority in the charter of its appointment, to give validity to its acts." [People ex re. Atty. Gen. V. Naglee, 1 Cal. 234 (1850)]

The motivation behind this distinct separation of powers between the state and federal government was described by the Supreme Court. Its ONLY purpose for existence is to protect our precious liberties and freedoms:

"We start with first principles. The Constitution creates a Federal Government of enumerated powers. See U.S. Const., Art. I, § 8. As James Madison wrote, "[t]he powers delegated by the proposed Constitution to the federal government are few and defined. Those which are to remain in the State governments are numerous and indefinite." The Federalist No. 45, pp. 292-293 (C. Rossiter ed. 1961). This constitutionally mandated division of authority "was adopted by the Framers to ensure protection of our fundamental liberties." Gregory v. Ashcroft, 501 U.S. 452, 458 (1991) (internal quotation marks omitted). "Just as the separation and independence of the coordinate branches of the Federal Government serves to prevent the accumulation of excessive power in any one branch, a healthy balance of power between the States and the Federal Government will reduce the risk of tyranny and abuse from either front." Ibid. [U.S. v. Lopez, 514 U.S. 549 (1995)]

We therefore have no choice to conclude, based on the definitions above that the sovereign 50 Union states of the United States of America are considered "foreign states", which means they are outside the legislative jurisdiction of the federal

courts in most cases. This conclusion is the inescapable result of the fact that the Tenth Amendment to the U.S. Constitution reserves what is called “police powers” to the states and these police powers include most criminal laws and every aspect of public health, morals, and welfare. See section 4.9 for further details. There are exceptions to this general rule, but most of these exceptions occur when the parties involved reside in two different “foreign states” or in a territory (referred to as a “State”) of the federal United States and wish to *voluntarily* grant the federal courts jurisdiction over their issues to simplify the litigation. The other interesting outcome of the above analysis is that We the People are “instrumentalities” of those foreign states, because we fit the description above as:

1. A separate legal person.
2. An organ of the foreign state, because we:
  - 2.1. Fund and sustain its operations with our taxes.
  - 2.2. Select and oversee its officers with our votes.
  - 2.3. Change its laws through the political process, including petitions and referendums.
  - 2.4. Control and limit its power with our jury and grand jury service.
  - 2.5. Protect its operation with our military service.

The people govern themselves through their elected agents, who are called public *servants*. Without the involvement of *every citizen* of every “foreign state” in the above process of self-government, the state governments would disintegrate and cease to exist, based on the way our system is structured now. The people, are the sovereigns, according to the Supreme Court: *Juilliard v. Greenman*, 110 U.S. 421 (1884); *Perry v. U.S.*, 294 U.S. 330 (1935); *Yick Wo v. Hopkins*, 118 U.S. 356 (1886). Because the people are the sovereigns, then the government is there to *serve* them and without people to serve, then we wouldn’t *need* a government! How much more of an “instrumentality” can you be as a natural person of the body politic of your state? We refer you back to section 4.1 to reread that section to find out just how very important a role you play in your state government. By the way, here is the definition of “instrumentality” right from Black’s Law Dictionary, Sixth Edition, page 801:

**Instrumentality:** *Something by which an end is achieved; a means, medium, agency.* *Perkins v. State*, 61 Wis.2d 341, 212 N.W.2d 141, 146.  
[Black’s Law Dictionary, Sixth Edition, p. 801]

Another section in that same Chapter 97 above says these foreign states have judicial immunity:

[TITLE 28 > PART IV > CHAPTER 97 > Sec. 1602.](#)  
*Sec. 1602. - Findings and declaration of purpose*

*The Congress finds that the determination by United States courts of the claims of foreign states to immunity from the jurisdiction of such courts would serve the interests of justice and would protect the rights of both foreign states and litigants in United States courts. Under international law, states are not immune from the jurisdiction of foreign courts insofar as their commercial activities are concerned, and their commercial property may be levied upon for the satisfaction of judgments rendered against them in connection with their commercial activities. Claims of foreign states to immunity should henceforth be decided by courts of the United States and of the States in conformity with the principles set forth in this chapter*

## **7 Why all people domiciled in states of the Union are “nonresident aliens” under Internal Revenue Code, Subtitle A**

As is explained in later in section 9, people born anywhere in America and domiciled or resident within states of the Union are all of the following:

1. Statutory status under federal law:
  - 1.1. “nationals” or “state nationals” under 8 U.S.C. §1101(a)(21).
  - 1.2. “non-citizen nationals” under 8 U.S.C. 1452.
  - 1.3. Not statutory “citizens of the United States” under 8 U.S.C. §1401.
  - 1.4. NOT “nationals of the United States\*\*” under either 8 U.S.C. §1101(a)(22) or 8 U.S.C. §1408.
  - 1.5. “aliens” relative to the legislative/statutory jurisdiction of the national and not federal government as defined in 8 U.S.C. §1101(a)(3). Statutory but not Constitutional alienage is a result of the separation of powers between the state and federal governments.
2. Constitutional status:
  - 2.1. “citizens of the United States” per the Fourteenth Amendment.

## 2.2. Not “aliens”

You can also find details on the above in the following pamphlet in our website:

*Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen*, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

For tax purposes, “non-citizen nationals” domiciled in states of the Union are classified as “nonresident aliens” as defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#).

[26 U.S.C. §7701\(b\)\(1\)\(B\) Nonresident alien](#)

*An individual is a nonresident alien if such individual is neither a citizen of the [federal] United States nor a resident of the [federal] United States (within the meaning of subparagraph (A)).*

The statutory term “United States” as used above means the following:

[TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701. \[Internal Revenue Code\]](#)  
[Sec. 7701. - Definitions](#)

*(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—*

*(9) United States*

*The term “United States” when used in a geographical sense includes only the [States](#) and the District of Columbia.*

*(10) State*

*The term “State” shall be construed to include the District of Columbia, where such construction is necessary to carry out provisions of this title.*

A “nonresident alien” is “nonresident” to the statutory “United States\*\*” as defined in the Internal Revenue Code at 26 U.S.C. §7701(a)(9) and (a)(10), which simply means that they do not maintain a domicile in the District of Columbia or any federal territory. We call this area the “federal United States”, the “United States\*\*”, or simply the “federal zone” for short, in this book. Some payroll people and accountants will try to tell you that it is nonsense to expect that the words mean what they say in the Internal Revenue Code, but you can see that there is no way to interpret the definition of “United States” any way *other* than federal territory for the purposes of Subtitle A federal income taxes. The reason why this also must be the case is that the Constitution and federal law both confine all persons holding public office to reside in the District of Columbia:

**U.S. Constitution, Article 1, Section 8, Clause 17**

*To exercise exclusive Legislation in all Cases whatsoever, over such District (not exceeding ten Miles square) as may, by Cession of Particular States, and the Acceptance of Congress, become the Seat of the Government of the United States, and to exercise like Authority over all Places purchased by the Consent of the Legislature of the State in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards and other needful Buildings;--And*

[TITLE 4 > CHAPTER 3 > Sec. 72.](#)  
[Sec. 72. - Public offices; at seat of Government](#)

*All offices attached to the seat of government shall be exercised in the District of Columbia, and not elsewhere, except as otherwise expressly provided by law*

A “nonresident alien” who does not hold a public office in the United States government is *not* responsible for income tax withholding under [Subtitle C of the Internal Revenue Code](#) or for federal income taxes under [Subtitle A of the Internal Revenue Code](#). People not holding public office also cannot be levied upon under 26 U.S.C. §6331(a).



To verify the conclusions of this section, we investigated a prominent payroll compliance education book and found the following comments in the book about “nonresident alien” tax withholding:

**“In general, if an employer pays wages to nonresident aliens, it must withhold income tax (unless excepted by regulations), Social Security, and Medicare taxes as it would for a U.S. citizen. A Form W-2 must be delivered to the nonresident alien and filed with the Social Security Administration. Nonresident aliens’ wages are subject to FUTA tax as well.”**  
[2002 Quick Reference Guide to Payroll Compliance, Payroll Technical Support Services, Panel Publishers, a Division of Aspen Publishers, Inc, p. IV-54. Available at: <http://panelpublishers.com/>]

The above is true, but very misleading. The above advice says “unless excepted by regulations”, and doesn’t mention what those regulations might be. It also uses the term “must be delivered and filed”. That is true for a public employer, but not a private employer, and it still does not obligate a private employee to do anything. The facts below clarify the comments above and the applicable regulations so that their meaning is crystal clear to the reader:

1. There **are** several regulations that **DO** exempt income of nonresident aliens. Most of these are documented later in section 17.6 and following. All income not “effectively connected with a trade or business in the United States” or earned from labor outside the District of Columbia or federal United States is exempt from inclusion as “gross income” by regulation and exempt from withholding, but of course the above book conveniently didn’t mention that:

26 CFR §31.3401(a)(6)-1 Remuneration for services of nonresident alien individuals.

(a) In general.

All remuneration paid after December 31, 1966, for services performed by a nonresident alien individual, **if such remuneration otherwise constitutes wages within the meaning of §31.3401(a)-1 and if such remuneration is effectively connected with the conduct of a trade or business within the United States, is subject to withholding** under section 3402 unless excepted from wages under this section. In regard to wages paid under this section after February 28, 1979, the term “nonresident alien individual” does not include a nonresident alien individual treated as a resident under section 6013 (g) or (h).

(b) Remuneration for services performed outside the [federal] United States.

Remuneration paid to a nonresident alien individual (other than a resident of Puerto Rico) for services performed outside the [federal] United States is excepted from wages and hence is not subject to withholding.

A portion of the regulation above is also confirmed by the statutory rules for computing taxable income found in 26 U.S.C. §861:

[TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART I > Sec. 861.](#)  
[Sec. 861. - Income from sources within the United States](#)

(a) Gross income from sources within United States

The following items of gross income shall be treated as income from sources within the United States:

[...]

(3) Personal services

Compensation for labor or personal services performed in the United States; **except that compensation for labor or services performed in the United States shall not be deemed to be income from sources within the United States if -**

(A) the labor or services are performed by a nonresident alien individual temporarily present in the United States for a period or periods not exceeding a total of 90 days during the taxable year,

(B) such compensation does not exceed \$3,000 in the aggregate, and

**(C) the compensation is for labor or services performed as an employee of or under a contract with -**

**(i) a nonresident alien, foreign partnership, or foreign corporation, not engaged in trade or business**

1                    within the United States, or

- 2     2. That word “trade or business” above is statutorily defined in the Internal Revenue Code as the “functions of a public  
3     office”. This public office essentially amount to a business partnership with the federal government, whether as a  
4     federal “employee” or otherwise. These observations confirm once again that the only proper subject of the income tax  
5     are government employees who hold a public office.

6                    26 U.S.C. Sec. 7701(a)(26) : Definitions

7                    *"The term 'trade or business' includes the performance of the functions of a public office."*

8  
9                    **Public Office:**

10                   *"Essential characteristics of a 'public office' are:*

11                   *(1) Authority conferred by law,*

12                   *(2) Fixed tenure of office, and*

13                   *(3) Power to exercise some of the sovereign functions of government.*

14                   *(4) Key element of such test is that "officer is carrying out a sovereign function".*

15                   *(5) Essential elements to establish public position as 'public office' are:*

16                   *(a) Position must be created by Constitution, legislature, or through authority conferred by legislature.*

17                   *(b) Portion of sovereign power of government must be delegated to position,*

18                   *(c) Duties and powers must be defined, directly or implied, by legislature or through legislative authority.*

19                   *(d) Duties must be performed independently without control of superior power other than law, and*

20                   *(e) Position must have some permanency."*

21                   *[Black's Law Dictionary, Sixth Edition, p. 1230]*

- 22     3. 26 CFR §31.3401(a)-1 mentioned above also says that a person can only earn “wages” if they are an “employee”,  
23     which is a person holding a “public office” in the United States government” under 26 CFR §31.3401(c)-1.

24                   26 CFR §31.3401(c)-1 Employee:

25                   *"...the term [employee] includes officers and employees, whether elected or appointed, of the United States, a*  
26                   *[[federal] State, Territory, Puerto Rico or any political subdivision, thereof, or the District of Columbia, or*  
27                   *any agency or instrumentality of any one or more of the foregoing. The term 'employee' also includes an*  
28                   *officer of a corporation."*

29  
30                   26 CFR §31.3401(a)-1 Wages.

31                   *(a) In general. (1) The term "wages" means all remuneration for services performed by an employee for his*  
32                   *employer unless specifically excepted under section 3401(a) or excepted under section 3402(e).*

- 33     4. Absent a person literally holding a “public office” in the United States government, then the only other way they can  
34     earn “wages” is to have a voluntary withholding agreement in place called a W-4. If they never volunteered, then they  
35     don’t earn “wages”.

36                   26 CFR §31.3401(a)-3 Amounts deemed wages under voluntary withholding agreements.

37                   *(a) In general.*

38                   *Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations*  
39                   *thereunder, the term "wages" includes the amounts described in paragraph (b)(1) of this section with respect*  
40                   *to which there is a voluntary withholding agreement in effect under section 3402(p). References in this*  
41                   *chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section*  
42                   *(§31.3401(a)-3).*

43  
44                   26 CFR §31.3402(p)-1 Voluntary withholding agreements.

45                   *(a) In general.*

An employee and his employer may enter into an agreement under section 3402(b) to provide for the withholding of income tax upon payments of amounts described in paragraph (b)(1) of §31.3401(a)-3, made after December 31, 1970. An agreement may be entered into under this section only with respect to amounts which are includible in the gross income of the employee under section 61, and must be applicable to all such amounts paid by the employer to the employee. The amount to be withheld pursuant to an agreement under section 3402(p) shall be determined under the rules contained in section 3402 and the regulations thereunder. See §31.3405(c)-1, Q&A-3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.

5. If the private employer coerces the employee to sign a W-4, that doesn't count as "volunteering", because in that instance, they had a choice of either starving to death or committing perjury under penalty of perjury on a W-4 form. They would be committing perjury because they would be submitting a W-4 that misrepresented their status as a federal "employee" and also misrepresented the fact that they "volunteered", when in fact they were simply coerced under threat of being fired or not being hired by their employer. Here is what Alexander Hamilton said on this subject:

"In the general course of human nature, A POWER OVER A MAN'S SUBSISTENCE AMOUNTS TO A POWER OVER HIS WILL."  
[Alexander Hamilton, [Federalist Paper No. 79](#)]

The tendency of employers to coerce their employees essentially into becoming liars just so they can feed their face may explain the following comment by Will Rogers:

"Income tax has made more liars out of the American people than golf."  
[Will Rogers]

6. The regulations say a nonresident alien with no earnings connected with a "trade or business" and which do not originate from the federal territory is not subject to tax and not includible in "gross income".:

Title 26: Internal Revenue  
[PART 1—INCOME TAXES](#)  
[nonresident alien individuals](#)  
[§ 1.872-2 Exclusions from gross income of nonresident alien individuals.](#)

(f) Other exclusions.

Income which is from sources without [outside] the United States [federal territory per 26 U.S.C. §7701(a)(9) and (a)(10)], as determined under the provisions of sections 861 through 863, and the regulations thereunder, is not included in the gross income of a nonresident alien individual unless such income is effectively connected for the taxable year with the conduct of a trade or business in the United States by that individual. To determine specific exclusions in the case of other items which are from sources within the United States, see the applicable sections of the Code. For special rules under a tax convention for determining the sources of income and for excluding, from gross income, income from sources without the United States which is effectively connected with the conduct of a trade or business in the United States, see the applicable tax convention. For determining which income from sources without the United States is effectively connected with the conduct of a trade or business in the United States, see section 864(c)(4) and §1.864-5.

Examining the above 2002 Quick Reference to Payroll Compliance book once again, we find the following comments:

"In some cases, an Internal Revenue Code (IRC) section or a U.S. tax treaty provision will exclude payments to a nonresident alien from wages. Such payments are not subject to the regular income tax withholding, so a Form W-2 is not required. Instead, the payments are subject to withholding at a flat 30 percent or lower treaty rate, unless exempt from tax because of a Code or treaty provision."  
[2002 Quick Reference Guide to Payroll Compliance, Payroll Technical Support Services, Panel Publishers, a Division of Aspen Publishers, Inc, p. IV-54. Available at: <http://panelpublishers.com/>]

The above comment is based on the content of 26 U.S.C. §871(a), which "appears" to impose a 30% flat rate on the "taxable income" of nonresident aliens not "effectively connected with a trade or business" in the United States, which we said means a "public office" in the United States government. As we said above, however, the underlying regulations at 26 CFR §1.872-2 exclude earnings of nonresident aliens originating outside federal territory. Therefore, such persons would be "nontaxpayers" who do not need to withhold.

A number of other payroll reference books have exactly the same problem as this one. There are two other primary payroll reference books recommended by the American Payroll Association (APA), which are listed below, and both of them have exactly the same problem as the one we examined in this section.



- 1 1. The [American Payroll Association \(APA\)](#) publishes information for payroll clerks that is flat out wrong on the subject  
2 of nonresident withholding in the case of those not engaged in a “trade or business”. See the book entitled: *The*  
3 *Payroll Source*, 2002; American Payroll Association; Michael P. O’Toole, Esq.; ISBN 1-930471-24-6.  
4 2. The other main source of payroll trade publications is [RIA](#), which also publishes flat out wrong information about the  
5 subject of “nonresident aliens” not engaged in a “trade or business” in the following publications:  
6 *Principles of Payroll Administration*; 2004 Edition; Debra J. Salam, CPA & Lucy Key Price, CPP; [RIA](#), 117 West  
7 Stevens Ave; Valhalla, NY 10595; ISBN 0-7913-5230-7.

8 Why don’t most payroll industry compliance books properly or completely address nonresident aliens not engaged in a  
9 “trade or business” with no earnings from federal territory or the United States government so as to tell the WHOLE truth  
10 about their lack of liability to withhold or report? Below are some insightful reasons that you will need to be intimately  
11 familiar with if you wish to educate the payroll department at your job without making enemies out of them:

- 12 1. They are bowing to IRS pressure and taking the least confrontational approach. If they told the WHOLE truth, they  
13 would probably be audited and attacked, so they omit the WHOLE truth from their manuals.  
14 2. They are trying to make the payroll clerk’s job easy (cook book), so that everyone looks the same. Many payroll  
15 software programs don’t know what to do about nonresident aliens who have no Social Security Number, which can  
16 add considerably to the workload of the payroll clerk by forcing them to process these people manually.  
17 3. The IRS Form W-8BEN can be used to stop withholding, but those who use it for this purpose must read and  
18 understand the regulations, which few payroll clerks have either the time or interest to do. The W-4, however, is the  
19 easiest and most convenient to use for the payroll clerks.  
20 4. The IRS publications conveniently do not discuss the loopholes in the regulations, because they want people to pay tax.  
21 Therefore, you must read, study, and understand the law yourself if you want to be free from the system, which few  
22 Americans are willing or even able to do.  
23 5. Few Americans read or study the law and even among those who do bring up the issues raised in this book with payroll  
24 clerks and bosses. Therefore, those informed private employees who bring up such issues are looked upon as  
25 troublemakers and brushed off by payroll and management personnel.  
26 6. Those payroll personnel who call the IRS to ask about the issues in this pamphlet are literally lied to by malicious and  
27 uninformed IRS personnel and told that they have to withhold at single zero rate. In fact, IRS employees are not even  
28 allowed to give advice and the federal courts have said that you can be *penalized* for relying on ANYTHING the IRS  
29 says, including on the subject of withholding. Read the fascinating truth for yourself:  
30 <http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>

31 Therefore, those nonresident aliens who do not hold public office in the United States government and receive no payments  
32 from the U.S. government originating from federal territory do not earn taxable income, need not withhold, and need not  
33 file any federal tax return. Some people hear the word “nonresident alien” and assume that it means only “foreigners”. But  
34 we must ask the question how a foreigner from another country can serve in a public office of the United States government  
35 when the Constitution requires that the President can only be a “Natural Born Citizen” and senators and representatives  
36 must be “Citizens of the United States”?

37 **U.S. Constitution, Article II, Section 1, Clause 5**

38 *No Person except a natural born Citizen, or a Citizen of the United States, at the time of the Adoption of this*  
39 *Constitution, shall be eligible to the Office of President; neither shall any person be eligible to that Office who*  
40 *shall not have attained to the Age of thirty five Years, and been fourteen Years a Resident within the United*  
41 *States.*

42 \_\_\_\_\_

43 **U.S. Constitution, Article 1, Section 3, Clause 3**

44 *No Person shall be a Senator who shall not have attained to the Age of thirty Years, and been nine Years a*  
45 *Citizen of the United States, and who shall not, when elected, be an Inhabitant of that State for which he shall*  
46 *be chosen.*

47 \_\_\_\_\_

48 **U.S. Constitution, Article 1, Section 2, Clause 2**

1 *No Person shall be a Representative who shall not have attained to the age of twenty five Years, and been*  
2 *seven Years a Citizen of the United States, and who shall not, when elected, be an Inhabitant of that State in*  
3 *which he shall be chosen.*

4 Based on the foregoing discussion, the income taxes collected under the authority of Subtitle A of the Internal Revenue  
5 Code are simply a federal public officer kickback program disguised to “look” like a lawful tax. But in fact, the legislative  
6 intent of the Sixteenth Amendment revealed by President Taft’s written address before Congress clearly shows the purpose  
7 of Subtitle A of the Internal Revenue Code as simply a tax on federal government “employees” and nothing more. This  
8 federal employee kickback program disguised as a legitimate “income tax” on everyone was begin in 1862 during the  
9 exigencies of the Civil War and has continued with us since that day:

10 CONGRESSIONAL RECORD - SENATE - JUNE 16, 1909

11 [From Pages 3344 – 3345]

12 The Secretary read as follows:

13 To the Senate and House of Representatives:

14 [. . .]

15 Again, it is clear that by the enactment of the proposed law the Congress will not be bringing money into the  
16 Treasury to meet the present deficiency. The decision of the Supreme Court in the income-tax cases **deprived**  
17 **the National Government of a power** which, by reason of previous decisions of the court, it was **generally**  
18 **supposed that government had**. It is undoubtedly a power the National Government ought to have. It might be  
19 indispensable to the Nation’s life in great crises. Although I have not considered a constitutional amendment as  
20 necessary to the exercise of certain phases of this power, a mature consideration has satisfied me that an  
21 amendment is the only proper course for its establishment to its full extent.

22 I therefore recommend to the Congress that both Houses, by a two-thirds vote, **shall propose an amendment to**  
23 **the Constitution conferring the power to levy an income tax upon the National Government** without  
24 apportionment among the States in proportion to population.  
25 [44 Cong.Rec. 3344-3345]

26 If you would like to learn more about the federal employee kickback program and exactly how it works, a whole book has  
27 been written just on this worthy subject, which you can obtain as follows:

28 IRS Humbug: IRS Weapons of Enslavement

29 by Frank Kowalik, Universalistic Publishers, ISBN 0-9626552-0-1

30 The Pharisees who wrote the rather deceptive 2002 Quick Reference Guide to Payroll Compliance manual above weren’t  
31 telling a lie, but they also certainly left the most important points about tax liability of nonresident aliens undisclosed, and  
32 did not explain that people born in states of the Union are nonresident aliens under the tax code. This results in a  
33 constructive fraud and leaves the average reader, who is a “nonresident alien” and who was born in a state of the Union,  
34 with the incorrect presumption that he has a legal obligation to “volunteer” to participate in a corrupt and usurious federal  
35 “employee” kickback program. I would also be willing to bet that if you called up the author of the above article and asked  
36 him why he didn’t mention all the other details in this section, he would tell you that if he told the truth, he would have his  
37 license to practice law or his CPA certification pulled by the IRS or by a federal judge whose retirement benefits depend on  
38 maintaining the fraudulent and oppressive tax system we live under.

## 39 **8 Domicile: You aren’t subject to civil law without your explicit voluntary** 40 **consent**

41 The purpose of establishing government is solely to provide “protection”. Those who wish to be protected by a specific  
42 government under the civil law must expressly consent to be protected by choosing a domicile within the civil jurisdiction  
43 of that specific government.

- 44 1. Those who have made such a choice and thereby become “customers” of the protection afforded by government are  
45 called by any of the following names under the civil laws of the jurisdiction they have nominated to protect them:
  - 46 1.1. “citizens”, if they were born somewhere within the country which the jurisdiction is a part.
  - 47 1.2. “residents” (aliens) if they were born within the country in which the jurisdiction is a part
  - 48 1.3. “inhabitants”, which encompasses both “citizens”, and “residents” but excludes foreigners
  - 49 1.4. “persons”.

1.5. "individuals".

2. Those who have not become "customers" or "protected persons" of a specific government are called by any of the following names within the civil laws of the jurisdiction they have refused to nominate as their protector and may NOT be called by any of the names in item 1 above:

2.1. "nonresidents"

2.2. "transient foreigners"

2.3. "stateless persons"

2.4. "in transitu"

2.5. "transient"

2.6. "sojourner"

In law, the process of choosing a domicile within the jurisdiction of a specific government is called "*animus manendi*". That choice makes you a consenting party to the "civil contract", "social compact", and "private law" that attaches to and therefore protects all "inhabitants" and things physically situated on or within that specific territory, venue, and jurisdiction. In a sense then, your consent to a specific jurisdiction by your choice of domicile within that jurisdiction is what creates the "person", "individual", "citizen", "resident", or "inhabitant" which is the only proper subject of the civil laws passed by that government. In other words, choosing a domicile within a specific jurisdiction causes an implied waiver of sovereign immunity, because the courts admit that the term "person" does not refer to the "sovereign":

"Since in common usage, the term person does not include the sovereign, statutes not employing the phrase are ordinarily construed to exclude it."

[United States v. Cooper Corporation, 312 U.S. 600 (1941)]

"Sovereignty itself is, of course, not subject to law for it is the author and source of law;"

[Yick Wo v. Hopkins, 118 U.S. 356 (1886)]

"There is no such thing as a power of inherent Sovereignty in the government of the United States. In this country sovereignty resides in the People, and Congress can exercise no power which they have not, by their Constitution entrusted to it: All else is withheld."

[Juilliard v. Greenman, 110 U.S. 421 (1884)]

Those who have become customers of government protection by choosing a domicile within a specific government then owe a duty to pay for the support of the protection they demand. The method of paying for said protection is called "taxes". In earlier times this kind of sponsorship was called "tribute".

Even for civil laws that are enacted with the consent of the majority of the governed, we must still explicitly and individually consent to be subject to them as a person "among those governed" before they can be enforced against us.

"When a change of government takes place, from a monarchial to a republican government, the old form is dissolved. Those who lived under it, and did not choose to become members of the new, had a right to refuse their allegiance to it, and to retire elsewhere. By being a part of the society subject to the old government, they had not entered into any engagement to become subject to any new form the majority might think proper to adopt. That the majority shall prevail is a rule posterior to the formation of government, and results from it. It is not a rule upon mankind in their natural state. There, every man is independent of all laws, except those prescribed by nature. He is not bound by any institutions formed by his fellowmen without his consent"

[Cruden v. Neale, 2 N.C., 2 S.E. 70 (1796)]

This requirement for the consent to the protection afforded by government is the foundation of our system of government, according to the Declaration of Independence: consent of the governed. The U.S. Supreme Court admitted this when it said:

"The people of the United States resident within any State are subject to two governments: one State, and the other National; but there need be no conflict between the two. The powers which one possesses, the other does not. They are established for different purposes, and have separate jurisdictions. Together they make one whole, and furnish the people of the United States with a complete government, ample for the protection of all their rights at home and abroad. True, it may sometimes happen that a person is amenable to both jurisdictions for one and the same act. Thus, if a marshal of the United States is unlawfully resisted while executing the process of the courts within a State, and the resistance is accompanied by an assault on the officer, the sovereignty of the United States is violated by the resistance, and that of the State by the breach of peace, in the assault. So, too, if one passes counterfeited coin of the United States within a State, it may be an offence against the United States and the State: the United States, because it discredits the coin; and the State, because of the fraud upon him to whom it is passed. This does not, however, necessarily imply that the two governments possess powers in common, or bring them into conflict with each other. It is the natural consequence of a



citizenship [92 U.S. 542, 551] which owes allegiance to two sovereignties, and claims protection from both.

**The citizen cannot complain, because he has voluntarily submitted himself to such a form of government.**

**He owes allegiance to the two departments, so to speak, and within their respective spheres must pay the penalties which each exacts for disobedience to its laws. In return, he can demand protection from each within its own jurisdiction.**

[United States v. Cruikshank, 92 U.S. 542 (1875) [emphasis added]

How, then, did you “voluntarily submit” yourself to such a form of government and thereby contract with that government for “protection”? If people fully understood how they did this, many of them would probably immediately withdraw their consent and completely drop out of the corrupted, inefficient, and usurious system of government we have, now wouldn’t they? We have spent six long years researching this question, and our research shows that it wasn’t your citizenship as a “national” but not statutory “citizen” pursuant to 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452 that made you subject to their civil laws. Well then, what was it?

### ***It was your voluntary choice of domicile!***

In fact, the “citizen” the Supreme Administrative Court is talking about above is a statutory “citizen” and not a constitutional “citizen”, and the only way you can become subject to statutory civil law is to have a domicile within the jurisdiction of the sovereign. Below is a legal definition of “domicile”:

“domicile. A person’s legal home. That place where a man has his true, fixed, and permanent home and principal establishment, and to which whenever he is absent he has the intention of returning. Smith v. Smith, 206 Pa.Super. 310m 213 A.2d 94. Generally, physical presence within a state and the intention to make it one’s home are the requisites of establishing a “domicile” therein. The permanent residence of a person or the place to which he intends to return even though he may actually reside elsewhere. A person may have more than one residence but only one domicile. The legal domicile of a person is important since it, rather than the actual residence, often controls the jurisdiction of the taxing authorities and determines where a person may exercise the privilege of voting and other legal rights and privileges.”

[Black’s Law Dictionary, Sixth Edition, p. 485]

“This right to protect persons having a domicile, though not native-born or naturalized citizens, rests on the firm foundation of justice, and the claim to be protected is earned by considerations which the protecting power is not at liberty to disregard. Such domiciled citizen pays the same price for his protection as native-born or naturalized citizens pay for theirs. He is under the bonds of allegiance to the country of his residence, and, if he breaks them, incurs the same penalties. He owes the same obedience to the civil laws. His property is, in the same way and to the same extent as theirs, liable to contribute to the support of the Government. In nearly all respects, his and their condition as to the duties and burdens of Government are undistinguishable.”

[Fong Yue Ting v. United States, 149 U.S. 698 (1893)]

Notice the phrase “civil laws” above and the term “claim to be protected”. What they are describing is a contract to procure the protection of the government, from which a “claim” arises. Those who are not party to the domicile/protection contract have no such claim and are immune from the civil jurisdiction of the government. In fact, there are only three ways to become subject to the civil jurisdiction of a specific government. These ways are:

1. Choosing domicile within a specific jurisdiction.
2. Representing an entity that has a domicile within a specific jurisdiction even though not domiciled oneself in said jurisdiction. For instance, representing a federal corporation as a public officer of said corporation, even though domiciled outside the federal zone. The authority for this type of jurisdiction is, for instance, Federal Rule of Civil Procedure 17(b).
3. Engaging in commerce within the civil legislative jurisdiction of a specific government and thereby waiving sovereign immunity under:
  - 3.1. The Foreign Sovereign Immunities Act, 28 U.S.C. §1605.
  - 3.2. The Minimum Contacts Doctrine, which implements the Fourteenth Amendment. See International Shoe Co. v. Washington, 326 U.S. 310 (1945) .
  - 3.3. The Longarm Statutes of the state jurisdiction where you are physically situated at the time. For a list of such state statutes, see:

SEDM Jurisdictions Database, Litigation Tool #10.010  
<http://sedm.org/Litigation/LitIndex.htm>

1 We allege that if the above rules are violated then the following consequences are inevitable:

- 2 1. A crime has been committed. That crime is identity theft against a nonresident party and it involves using a person's  
3 legal identity as a "person" for the commercial benefit of someone else without their express consent. Identity theft is  
4 a crime in every jurisdiction within the USA. The SEDM Jurisdictions Database, Litigation Tool #10.010 indicated  
5 above lists identity theft statutes for every jurisdiction in the USA.
- 6 2. If the entity disregarding the above rules claims to be a "government" then it is acting instead as a private corporation  
7 and must waive sovereign immunity and approach the other party to the dispute in EQUITY rather than law, and do so  
8 in OTHER than a franchise court. Franchise courts include U.S. District Court, U.S. Circuit Court, Tax Court, Traffic  
9 Court, and Family Court, etc. Equity is impossible in a franchise court.

10 See also *Clearfield Trust Co. v. United States*, 318 U.S. 363, 369 (1943) ("**The United States does business on**  
11 **business terms**") (quoting *United States v. National Exchange Bank of Baltimore*, 270 U.S. 527, 534 (1926));  
12 *Perry v. United States*, supra at 352 (1935) ("**When the United States, with constitutional authority, makes**  
13 **contracts for franchises, it has rights and incurs responsibilities similar to those of individuals who are**  
14 **parties to such instruments. There is no difference . . . except that the United States cannot be sued without**  
15 **its consent**") (citation omitted); *United States v. Bostwick*, 94 U.S. 53, 66 (1877) ("**The United States, when**  
16 **they contract with their citizens, are controlled by the same laws that govern the citizen in that behalf**");  
17 *Cooke v. United States*, 91 U.S. 389, 398 (1875) (explaining that when the United States "**comes down from**  
18 **its position of sovereignty, and enters the domain of commerce, it submits itself to the same laws that govern**  
19 **individuals there**").

20 See *Jones*, 1 Cl.Ct. at 85 ("**Wherever the public and private acts of the**  
21 **government seem to commingle, a citizen or corporate body must by**  
22 **supposition be substituted in its place, and then the question be**  
23 **determined whether the action will lie against the supposed defendant**");  
24 *O'Neill v. United States*, 231 Ct.Cl. 823, 826 (1982) (sovereign acts doctrine applies where, "[w]here [the]  
25 contracts exclusively between private parties, the party hurt by such governing action could not claim  
26 compensation from the other party for the governing action"). The dissent ignores these statements (including  
27 the statement from *Jones*, from which case *Horowitz* drew its reasoning literally verbatim), when it says, post at  
28 931, that the sovereign acts cases do not emphasize the need to treat the government-as-contractor the same as  
29 a private party.  
30 [*United States v. Winstar Corp.* 518 U.S. 839 (1996)]

31 Below are some interesting facts about domicile that we have discovered through our extensive research on this subject:

- 32 1. Domicile is based on where you currently live or have lived in the past. You can't choose a domicile in a place that  
33 you have never physically been to.
- 34 2. Domicile is a voluntary choice that only you can make. It acts as the equivalent of a "protection contract" between you  
35 and the government. All such contracts require your voluntary "consent", which the above definition calls "intent".  
36 That "intent" expresses itself as "allegiance" to the people and the laws of the place where you maintain a domicile.

37 "**Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in**  
38 **transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes.** Since the  
39 Fourteenth Amendment makes one a citizen of the state wherein he resides, **the fact of residence creates**  
40 **universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter**  
41 **obviously includes a duty to pay taxes, and their nature and measure is largely a political matter.** Of course,  
42 the situs of property may tax it regardless of the citizenship, domicile, or residence of the owner, the most  
43 obvious illustration being a tax on realty laid by the state in which the realty is located."  
44 [*Miller Brothers Co. v. Maryland*, 347 U.S. 340 (1954)]

- 45 3. Domicile cannot be established without a coincidence of living or having lived in a place and voluntarily consenting to  
46 live there "permanently".
- 47 4. Domicile is a protected First Amendment choice of political association. Since the government may not lawfully  
48 interfere with your right of association, they cannot lawfully select a domicile for you or interfere with your choice of  
49 domicile.
- 50 5. Domicile is what is called the "seat" of your property. It is the "state" and the "government" you voluntarily nominate  
51 to protect your property and your rights. In effect, it is the "weapon" you voluntarily choose that will best protect your  
52 property and rights, not unlike the weapons that early cavemen crafted and voluntarily used to protect themselves and  
53 their property.
- 54 6. The government cannot lawfully coerce you to choose a domicile in a place. A government that coerced you into

choosing a domicile in their jurisdiction is engaging in a “protection racket”, which is highly illegal. A coerced domicile it is not a domicile of your choice and therefore lawfully confers no jurisdiction or rights upon the government:

*“Similarly, when a person is prevented from leaving his domicile by circumstances not of his doing and beyond his control, he may be relieved of the consequences attendant on domicile at that place. In Roboz (USDC D.C. 1963) [Roboz v. Kennedy, 219 F.Supp. 892 (D.D.C. 1963), p. 24], a federal statute was involved which precluded the return of an alien's property if he was found to be domiciled in Hungary prior to a certain date. It was found that Hungary was Nazi-controlled at the time in question and that the persons involved would have left Hungary (and lost domicile there) had they been able to. Since they had been precluded from leaving because of the political privations imposed by the very government they wanted to escape (the father was in prison there), the court would not hold them to have lost their property based on a domicile that circumstances beyond their control forced them to retain.”*  
[Conflicts in a Nutshell, David D. Siegel and Patrick J. Borchers, West Publishing, p. 24]

7. Domicile is a method of lawfully delegating authority to a “sovereign” to protect you. That delegation of authority causes you to voluntarily surrender some of your rights to the government in exchange for “protection”. That protection comes from the civil and criminal laws that the sovereign passes, because the purpose of all government and all law is “protection”. The U.S. Supreme Court calls this delegation of authority “allegiance”. To wit:

*“Allegiance and protection [by the government from harm] are, in this connection, reciprocal obligations. The one is a compensation for the other; allegiance for protection and protection for allegiance.”*  
[Minor v. Happersett, 88 U.S. (21 Wall.) 162, 166-168 (1874)]

8. All allegiance must be voluntary, which is why only consenting adults past the age of majority can have a legal domicile. The following facts confirm this conclusion:

8.1. Minors cannot choose a domicile, but by law assume the domicile of their parents.

8.2. Incompetent or insane persons assume the domicile of their caregivers.

9. It is perfectly lawful to have a domicile in a place OTHER than the place you currently live. Those who find themselves in this condition are called “transient foreigners”, and the only laws they are subject to are the criminal laws in the place they are at.

*“Transient foreigner. One who visits the country, without the intention of remaining.”*  
[Black's Law Dictionary, Sixth Edition, p. 1498]

10. There are many complicated rules of “presumption” about how to determine the domicile of an individual:

10.1. You can read these rules on the web at:

*Corpus Juris Secundum Legal Encyclopedia, Volume 28, Domicile*  
<http://famguardian.org/TaxFreedom/CitesByTopic/Domicile-28CJS-20051203.pdf>

10.2. The reason that the above publication about domicile is so complicated and long, is that its main purpose is to disguise the voluntary, consensual nature of domicile or remove it entirely from the decisions of courts and governments so that simply being present on the king's land makes one into a “subject” of the king. This is not how a republican form of government works and we don't have a monarchy in this country that would allow this abusive approach to law to function.

*“Yet, it is to be remembered, and that whether in its real origin, or in its artificial state, allegiance, as well as fealty, rests upon lands, and it is due to persons. Not so, with respect to Citizenship, which has arisen from the dissolution of the feudal system and is a substitute for allegiance, corresponding with the new order of things. Allegiance and citizenship, differ, indeed, in almost every characteristic. Citizenship is the effect of compact [CONTRACT!]; allegiance is the offspring of power and necessity. Citizenship is a political tie; allegiance is a territorial tenure. Citizenship is the charter of equality; allegiance is a badge of inferiority. Citizenship is constitutional; allegiance is personal. Citizenship is freedom; allegiance is servitude. Citizenship is communicable; allegiance is repulsive. Citizenship may be relinquished; allegiance is perpetual. With such essential differences, the doctrine of allegiance is inapplicable to a system of citizenship; which it can neither serve to controul, nor to elucidate. And yet, even among the nations, in which the law of allegiance is the most firmly established, the law most pertinaciously enforced, there are striking deviations that demonstrate the invincible power of truth, and the homage, which, under every modification of government, must be paid to the inherent rights of man....The doctrine is, that allegiance cannot be due to two sovereigns; and taking an oath of allegiance to a new, is the strongest evidence of withdrawing allegiance from a previous, sovereign....”*  
[Talbot v. Janson, 3 U.S. 133 (1795)]

10.3. These rules of presumption relating to domicile may only lawfully act in the absence of express declaration of your domicile provided to the government in written form or when various sources of evidence conflict with each



other about your choice of domicile.

**"This [government] right of domicile, he continues, is not established unless the person makes sufficiently known his intention of fixing there, either tacitly or by an express declaration.** Vatt. Law Nat. pp. 92, 93."  
[Fong Yue Ting v. United States, 149 U.S. 698 (1893)]

10.4. The purpose for these rules are basically to manufacture the "presumption" that courts can use to "ASSUME" or "PRESUME" that you consented to their jurisdiction, even if in fact you did not explicitly do so. All such prejudicial presumptions which might adversely affect your Constitutionally guaranteed rights are unconstitutional, according to the U.S. Supreme Court:

1) [8:4993] **Conclusive presumptions affecting protected interests:** A conclusive presumption may be defeated where its application would impair a party's constitutionally-protected liberty or property interests. In such cases, conclusive presumptions have been held to violate a party's due process and equal protection rights. [Vlandis v. Kline (1973) 412 U.S. 441, 449, 93 S.Ct 2230, 2235; Cleveland Bd. of Ed. v. LaFleur (1974) 414 U.S. 632, 639-640, 94 S.Ct. 1208, 1215-presumption under Illinois law that unmarried fathers are unfit violates process]  
[Rutter Group Practice Guide-Federal Civil Trials and Evidence, paragraph 8:4993, page 8K-34]

10.5. The purpose for these complicated rules of presumption is to avoid the real issue, which is whether you voluntarily consent to the civil jurisdiction of the government and the courts in an area, because they cannot proceed civilly without your express consent manifested as a voluntary choice of domicile. In most cases, if litigants knew that all they had to do to avoid the jurisdiction of the court was to not voluntarily select a domicile within the jurisdiction of the court, most people would become "transient foreigners" so the government could do nothing other than just "leave them alone".

11. You can choose a domicile any place you want. The only requirement is that you must ensure that the government or sovereign who controls the place where you live has received "reasonable notice" of your choice of domicile and of their corresponding obligation to protect you.

The writers upon the law of nations distinguish between a temporary residence in a foreign country for a special purpose and a residence accompanied with an intention to make it a permanent place of abode. The latter is styled by Vattel [in his book The Law of Nations as] "domicile," which he defines to be "a habitation fixed in any place, with an intention of always staying there." Such a person, says this author, becomes a member of the new society at least as a permanent inhabitant, and is a kind of citizen of the inferior order from the native citizens, but is, nevertheless, united and subject to the society, without participating in all its advantages. **This right of domicile, he continues, is not established unless the person makes sufficiently known his intention of fixing there, either tacitly or by an express declaration.** Vatt. Law Nat. pp. 92, 93. **Grotius nowhere uses the word "domicile," but he also distinguishes between those who stay in a foreign country by the necessity of their affairs, or from any other temporary cause, and those who reside there from a permanent cause. The former he denominates "strangers," and the latter, "subjects."** The rule is thus laid down by Sir Robert Phillimore:

There is a class of persons which cannot be, strictly speaking, included in either of these denominations of naturalized or native citizens, namely, the class of those who have ceased to reside [maintain a domicile] in their native country, and have taken up a permanent abode in another. **These are domiciled inhabitants. They have not put on a new citizenship through some formal mode enjoined by the law or the new country. They are de facto, though not de jure, citizens of the country of their [new chosen] domicile.**  
[Fong Yue Ting v. United States, 149 U.S. 698 (1893)]

Notice the phrase "This right of domicile. . . is not established unless the person makes sufficiently known his intention of fixing there, either tacitly or by an express declaration."

12. The process of notifying the government that you have nominated them as your protector occurs based on how you fill out usually government and financial forms that you fill out such as:

12.1. Driver's license applications. You cannot get a driver's license in most states without selecting a domicile in the place that you want the license from. See:

Defending Your Right to Travel, Form #06.010  
<http://sedm.org/ItemInfo/Ebooks/DefYourRightToTravel.htm>

12.2. Voter registration. You cannot register to vote without a domicile in the place you are voting.

12.3. Jury summons. You cannot serve as a jurist without a domicile in the jurisdiction you are serving in.

12.4. On financial forms, any form that asks for your "residence", "permanent address", or "domicile".

13. If you want provide unambiguous legal notice to the state of your choice to disassociate with them and become a "transient foreigner" in the place where you live who is not subject to the civil laws, you can use the following free form:

The subject of domicile is a complicated one. Consequently, we have written a separate memorandum of law on the subject if you would like to investigate this fascinating subject further:

*Why Domicile and Becoming a "Taxpayer" Require Your Consent*, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

## **9 Citizenship, Domicile, and Tax Status Options**

Pictures really are worth a THOUSAND words. There is no better place we know of to use a picture to describe relationship than in the context of citizenship, domicile, and residency. Below is a table summarizing citizenship status v. Tax status. After that, we show a graphical diagram that makes the relationships perfectly clear. Finally, after the graphical diagram, we present a text summary for all the legal rules that govern transitioning between the various citizenship and domicile conditions described. The content of this entire section is available in a single convenient form that you can use at depositions, as attachments to government forms, and in legal proceedings. You can find this form at:

*Citizenship, Domicile, and Tax Status Options*, Form #10.003  
<http://sedm.org/Forms/FormIndex.htm>

### **9.1 Statutory v. constitutional contexts**

It is very important to understand that there are TWO separate, distinct, and mutually exclusive contexts in which geographical "words of art" can be used at the federal or national level:

1. Constitutional.
2. Statutory.

The purpose of providing a statutory definition of a legal "term" is to supersede and not enlarge the ordinary, common law, constitutional, or common meaning of a term. Geographical words of art include:

1. "State"
2. "United States"
3. "alien"
4. "citizen"
5. "resident"
6. "U.S. person"

The terms "State" and "United States" within the Constitution implies the constitutional states of the Union and excludes federal territory, statutory "States" (federal territories), or the statutory "United States" (the collection of all federal territory). This is an outcome of the separation of powers doctrine. See:

*Government Conspiracy to Destroy the Separation of Powers*, Form #05.023  
<http://sedm.org/Forms/FormIndex.htm>

The U.S. Constitution creates a public trust which is the delegation of authority order that the U.S. Government uses manage federal territory and property. That property includes franchises, such as the "trade or business" franchise. All statutory civil law it creates can and does regulate only THAT property and not the constitutional States, which are foreign, sovereign, and statutory "aliens" for the purposes of federal legislative jurisdiction.

It is very important to realize the consequences of this constitutional separation of powers between the states and national government. Some of these consequences include the following:

1. Statutory "States" as indicated in [4 U.S.C. §110\(d\)](#) and "States" in nearly all federal statutes are in fact federal territories and the definition does NOT include constitutional states of the Union.

---

#### ***Nonresident Alien Position***

Copyright Sovereignty Education and Defense Ministry, <http://sedm.org>  
Form 05.020, Rev. 9-20-2009

- 1 2. The statutory "United States" defined in [26 U.S.C. §7701](#)(a)(9) and (a)(10) and 4 U.S.C. §110(d) includes federal  
2 territory and excludes any land within the exclusive jurisdiction of a constitutional state of the Union.  
3 3. Terms on government forms assume the statutory context and NOT the constitutional context.  
4 4. [Domicile is the origin of civil legislative jurisdiction](#) over human beings. This jurisdiction is called "in personam  
5 jurisdiction".  
6 5. Since the [separation of powers doctrine](#) creates two separate jurisdictions that are legislatively "foreign" in relation to  
7 each other, then there are TWO types of political communities, two types of "citizens", and two types of jurisdictions  
8 exercised by the national government.

9 *"It is clear that Congress, as a legislative body, exercise two species of legislative power: the one, limited as to*  
10 *its objects, but extending all over the Union: the other, an absolute, exclusive legislative power over the District*  
11 *of Columbia. The preliminary inquiry in the case now before the Court, is, by virtue of which of these*  
12 *authorities was the law in question passed?"*  
13 *[Cohens v. Virginia, 19 U.S. 264, 6 Wheat. 265; 5 L.Ed. 257 (1821)]*

- 14 6. A human being domiciled in a state and born or naturalized anywhere in the Union is a statutory "alien" in relation to  
15 the national government and a non-citizen national pursuant to [8 U.S.C. §1101](#)(a)(21) and [8 U.S.C. §1452](#).  
16 7. You can be a statutory "alien" pursuant to [8 U.S.C. §1101](#)(a)(3) and a constitutional or Fourteenth Amendment  
17 "Citizen" AT THE SAME TIME. Why? Because the Supreme Court ruled in *Hooen and Allison v. Evatt*, 324 U.S.  
18 653 (1945), that there are THREE different and mutually exclusive "United States", and therefore THREE types of  
19 "citizens of the United States". Here is an example:

20 *"The 1<sup>st</sup> section of the 14<sup>th</sup> article [Fourteenth Amendment], to which our attention is more specifically invited, opens with a definition of*  
21 *citizenship—not only citizenship of the United States[\*\*\*], but citizenship of the states. No such definition was previously found in the*  
22 *Constitution, nor had any attempt been made to define it by act of Congress. It had been the occasion of much discussion in the courts, by*  
23 *the executive departments and in the public journals. It had been said by eminent judges that no man was a citizen of the [\*\*\*] except as he*  
24 *was a citizen of one of the states composing the Union. Those therefore, who had been born and resided always in the District of Columbia*  
25 *or in the territories [STATUTORY citizens], though within the United States[\*], were not [CONSTITUTIONAL] citizens."*  
26 *[Slaughter-House Cases, 83 U.S. (16 Wall.) 36, 21 L.Ed. 394(1873)]*

27 The "citizen of the United States" mentioned in the Fourteenth Amendment is a constitutional "citizen of the  
28 United States", and the term "United States" in that context includes states of the Union and excludes federal  
29 territory. Hence, you would NOT be a "citizen of the United States" within any federal statute, because all such  
30 statutes define "United States" to mean federal territory and EXCLUDE states of the Union. For more details, see:

[Why You are a "national", "state national", and Constitutional but not Statutory Citizen](#), Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

- 31 8. Your job, if you say you are a "citizen of the United States" or "U.S. citizen" on a government form ( a VERY  
32 DANGEROUS undertaking!) is to understand that all government forms presume the statutory and not constitutional  
33 context, and to ensure that you define precisely WHICH one of the three "United States" you are a "citizen" of, and do  
34 so in a way that excludes you from the civil jurisdiction of the national government because domiciled in a "foreign  
35 state". Both foreign countries and states of the Union are legislatively "foreign" and therefore "foreign states" in  
36 relation to the national government of the United States. The following form does that very carefully:

[Affidavit of Citizenship, Domicile, and Tax Status](#), Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>

- 37 9. Even the IRS says you CANNOT trust or rely on ANYTHING on any of their forms and publications. We cover this  
38 in our [Reasonable Belief About Income Tax Liability, Form #05.007](#). Hence, if you are compelled to fill out a  
39 government form, you have an OBLIGATION to ensure that you define all "words of art" used on the form in such a  
40 way that there is no room for presumption, no judicial or government discretion to "interpret" the form to their benefit,  
41 and no injury to your rights or status by filling out the government form. This includes attaching the following forms  
42 to all tax forms you submit:

- 43 9.1. [Affidavit of Citizenship, Domicile, and Tax Status](#), Form #02.001

<http://sedm.org/Forms/FormIndex.htm>

- 44 9.2. [Tax Form Attachment](#), Form #04.201

<http://sedm.org/Forms/FormIndex.htm>

## 47 9.2 Citizenship status v. tax status



1 **Table 4: “Citizenship status” v. “Income tax status”**

| #   | Citizenship status   | Place of birth      | Domicile  | Accepting tax treaty benefits? | Defined in  | Tax Status under 26 U.S.C./Internal Revenue Code   |  |   |   |
|-----|--|---------------------|---|--------------------------------|---|--|--|---|---|
|     |  |                     |   |                                |   | “Citizen”<br>(defined in 26 CFR 1.1-1)   | “Resident alien”<br>(defined in 26 U.S.C. §7701(b)(1)(A), 26 CFR §1.1441-1(c)(3)(i) and 26 CFR §1.1-1(a)(2)(ii)) | “Nonresident alien INDIVIDUAL”<br>(defined in 26 CFR §1.1441-1(c)(3)) | “Nonresident alien NON-individual”<br>(defined in 26 U.S.C. §7701(b)(1)(B)) |
| 1   | “U.S. citizen” or “Statutory U.S. citizen”                                   | Anywhere in America | District of Columbia, Puerto Rico, Guam, Virgin Islands                                     | NA                             | 8 U.S.C. §1401<br>8 U.S.C. §1101(a)(22)(A)  | Yes<br>(only pay income tax abroad with IRS Forms 1040/2555. See Cook v. Tait, 265 U.S. 47 (1924)) | No   | No  | No  |
| 2   | “U.S. national”  | Anywhere in America | American Samoa; Swain’s Island; or abroad to U.S. national parents under 8 U.S.C. §1408(2)  | NA                             | 8 U.S.C. §1101(a)(22)(B);<br>8 U.S.C. §1408<br>8 U.S.C. §1452   | No<br>(see 26 U.S.C. §7701(b)(1)(B))   | No   | Yes<br>(see IRS Form 1040NR for proof)                                | No  |
| 3.1 | “national” or “state national” or “Constitutional but not statutory citizen” | Anywhere in America | State of the Union  | NA<br>(ACTA agreement)         | 8 U.S.C. §1101(a)(21);<br>8 U.S.C. §1452;<br>14 <sup>th</sup> Amend., Sect. 1<br>8 U.S.C. §1101(a)(3) | No   | No   | No  | Yes   |
| 3.2 | “national” or “state national” or “Constitutional but not statutory citizen” | Anywhere in America | Foreign country   | Yes                            | 8 U.S.C. §1101(a)(21);<br>8 U.S.C. §1452;<br>14 <sup>th</sup> Amend., Sect. 1<br>8 U.S.C. §1101(a)(3) | No   | No   | Yes   | No  |
| 3.3 | “national” or “state national” or “Constitutional but not statutory citizen” | Anywhere in America | Foreign country   | No                             | 8 U.S.C. §1101(a)(21);<br>8 U.S.C. §1452;<br>14 <sup>th</sup> Amend., Sect. 1<br>8 U.S.C. §1101(a)(3) | No   | No   | No  | Yes   |
| 4.1 | “alien” or “Foreign national”  | Foreign country     | Puerto Rico, Guam, Virgin Islands, American Samoa, Commonwealth of Northern Mariana Islands | NA                             | 8 U.S.C. §1101(a)(3)  | No   | Yes  | No  | No  |
| 4.2 | “alien” or “Foreign national”  | Foreign country     | State of the Union  | Yes                            | 8 U.S.C. §1101(a)(3)  | No   | No   | Yes   | No  |
| 4.3 | “alien” or “Foreign national”  | Foreign country     | State of the Union  | No                             | 8 U.S.C. §1101(a)(3)  | No   | No   | No  | Yes   |
| 4.4 | “alien” or “Foreign national”  | Foreign country     | Foreign country   | Yes                            | 8 U.S.C. §1101(a)(3)  | No   | No   | Yes   | No  |
| 4.5 | “alien” or “Foreign national”  | Foreign country     | Foreign country   | No                             | 8 U.S.C. §1101(a)(3)  | No   | No   | No  | Yes   |

2 **NOTES:**

- 3 1. A nonresident alien individual who has made an election under 26 U.S.C. §6013(g) and (h) to be treated as a resident alien is treated as a “nonresident alien” for the  
4 purposes of withholding under I.R.C. Subtitle C but retains their status as a “resident alien” under I.R.C. Subtitle A. See 26 CFR §1.1441-1(c)(3)(ii).

**Nonresident Alien Position**

Copyright Sovereignty Education and Defense Ministry, <http://sedm.org>  
Form 05.020, Rev. 9-20-2009

- 1 2. What turns a “nonresident alien NON-individual” into a “nonresident alien individual” is:  
2 2.1. Being an an alien and NOT a “national” AND  
3 2.2. Meets one or more of the following two criteria found in 26 CFR §1.1441-1(c )(3)(ii):  
4 2.2.1. Residence/domicile in a foreign country under the residence article of an income tax treaty and 26 CFR §301.7701(b)-7(a)(1).  
5 2.2.2. Residence/domicile as an alien in Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as  
6 determined under 26 CFR §301.7701(b)-1(d).  
7 3. If you were born in a state of the Union and maintain a domicile there, then you are described in item 3.1 of the table.  
8 4. All “taxpayers” are aliens or “nonresident aliens”. You cannot be a “citizen” and a taxpayer at same time. The definition of “individual” found in 26 CFR §1.1441-  
9 1(c )(3) does NOT include “citizens”. The only occasion where a “citizen” can also be an “individual” is when they are abroad under 26 U.S.C. §911 and interface  
10 to the I.R.C. under a tax treaty with a foreign country as an alien pursuant to 26 CFR §301.7701(b)-7(a)(1)

11 *And when he had come into the house, Jesus anticipated him, saying, "What do you think, Simon? From whom do the kings [governments] of the earth [lawfully] take*  
12 *customs or taxes, from their sons [citizens and subjects] or from strangers ["aliens", which are synonymous with "residents" in the tax code, and exclude "citizens"?"*

13 *Peter said to Him, "From strangers ["aliens"/"residents" ONLY. See 26 CFR §1.1-1(a)(2)(ii) and 26 CFR §301.6109-1(d)(3)]."*

14 *Jesus said to him, "Then the sons ["citizens" of the Republic, who are all sovereign "nationals" and "nonresident aliens" under federal law] are free [sovereign over*  
15 *their own person and labor. e.g. SOVEREIGN IMMUNITY]."*  
16 *[Matt. 17:24-27, Bible, NKJV]*

### 9.3 Effect of Domicile on Citizenship Status

**Table 5: Affect of domicile on citizenship status**

| Description                 | CONDITION  |  |  |
|-----------------------------|--|--|--|
|                             | Domicile WITHIN the FEDERAL ZONE and located in FEDERAL ZONE   | Domicile WITHIN the FEDERAL ZONE and temporarily located abroad in foreign country   | Domicile WITHOUT the FEDERAL ZONE and located WITHOUT the FEDERAL ZONE   |
| Location of domicile        | “United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a> | “United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a> | Without the “United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a>                                   |
| Physical location           | Federal territories, possessions, and the District of Columbia   | Foreign nations ONLY (NOT states of the Union)   | Foreign nations states of the Union Federal possessions  |
| Tax Status                  | “U.S. Person” <a href="#">26 U.S.C. §7701(a)(30)</a>   | “U.S. Person” <a href="#">26 U.S.C. §7701(a)(30)</a>   | “Nonresident alien” <a href="#">26 U.S.C. §7701(b)(1)(B)</a>   |
| Tax form(s) to file         | IRS Form 1040  | IRS Form 1040 plus 2555  | IRS Form 1040NR: “alien individuals”, “nonresident alien individuals”<br>No filing requirement: “non-citizen nationals”  |
| Status if DOMESTIC national | Citizen <a href="#">8 U.S.C. §1401</a><br>(Not required to file if physically present in the “United States” because no statute requires it)   | Citizen abroad <a href="#">26 U.S.C. §911</a><br>(Meets presence test)   | “non-citizen National” <a href="#">8 U.S.C. §1101(a)(21)</a><br><a href="#">8 U.S.C. §1101(a)(22)(B)</a><br><a href="#">8 U.S.C. §1408</a><br><a href="#">8 U.S.C. §1452</a>                 |
| Status if FOREIGN national  | “Resident alien” <a href="#">26 U.S.C. §7701(b)(1)(A)</a>  | “Resident alien abroad” <a href="#">26 U.S.C. §911</a><br>(Meets presence test)  | “Nonresident alien individual”: <a href="#">26 CFR §1.1441-1(c)(3)(ii)</a><br>“Alien”: <a href="#">8 U.S.C. §1101(a)(3)</a><br>“Alien individual”: <a href="#">26 CFR §1.1441-1(c)(3)(i)</a> |

**NOTES:**

1. “United States” is defined as federal territory within [26 U.S.C. §§7701\(a\)\(9\)](#) and [\(a\)\(10\)](#), [7701\(a\)\(39\)](#), and [7408\(d\)](#), and [4 U.S.C. §110\(d\)](#). It does not include any portion of a Constitutional state of the Union.
2. The “District of Columbia” is defined as a federal corporation but not a physical place, a “body politic”, or a de jure “government” within the District of Columbia Act of 1871, 16 Stat. 419, 426, Sec. 34. See: *Corporatization and Privatization of the Government*, Form #05.024; <http://sedm.org/Forms/FormIndex.htm>.
3. American nationals who are domiciled outside of federal jurisdiction, either in a state of the Union or a foreign country, are “nationals” but not “citizens” under federal law. They also qualify as “nonresident aliens” under [26 U.S.C. §7701\(b\)\(1\)\(B\)](#). See sections 4.11.2 of the *Great IRS Hoax*, Form #11.302 for details.
4. Temporary domicile in the middle column on the right must meet the requirements of the “Presence test” documented in IRS publications.
5. “FEDERAL ZONE”=District of Columbia and territories of the United States in the above table
6. The term “individual” as used on the IRS Form 1040 means an “alien” engaged in a “trade or business”. All “taxpayers” are “aliens” engaged in a “trade or business”. This is confirmed by [26 CFR §1.1441-1\(c\)\(3\)](#), [26 CFR §1.1-1\(a\)\(2\)\(ii\)](#), and [5 U.S.C. §552a\(a\)\(2\)](#). Statutory “U.S. citizens” as defined in [8 U.S.C. §1401](#) are not “individuals” unless temporarily abroad pursuant to [26 U.S.C. §911](#) and subject to an income tax treaty with a foreign country. In that capacity, statutory “U.S. citizens” interface to the I.R.C. as “aliens” rather than “U.S. citizens” through the tax treaty.



## 9.4 Meaning of Geographical “Words of Art”

Because the states of the Union and the federal government are “foreign” to each other for the purposes of legislative jurisdiction, then it also follows that the definitions of terms in the context of all state and federal statutes must be consistent with this fact. The table below was extracted from the *Great IRS Hoax*, Form #11.302, section 4.9 if you would like to investigate further, and it clearly shows the restrictions placed upon definitions of terms within the various contexts that they are used within state and federal law:

**Table 6: Meaning of geographical “words of art”**

| Law  | Federal constitution                    | Federal statutes              | Federal regulations           | State constitutions                     | State statutes                          | State regulations                       |
|--|---|-------------------------------|-------------------------------|---|---|---|
| Author   | Union States/ “We The People”           | Federal Government            |                               | “We The People”                         | State Government                        |   |
| “state”  | Foreign country                         | Union state                   | Union state                   | Other Union state or federal government | Other Union state or federal government | Other Union state or federal government |
| “State”  | Union state                             | Federal state                 | Federal state                 | Union state                             | Union state                             | Union state                             |
| “in this State” or “in the State” <sup>2</sup>                 | NA                                      | NA                            | NA                            | NA                                      | Federal enclave within state            | Federal enclave within state            |
| “State” <sup>3</sup><br>(State Revenue and taxation code only) | NA                                      | NA                            | NA                            | NA                                      | Federal enclave within state            | Federal enclave within state            |
| “several States”   | Union states collectively. <sup>4</sup> | Federal “States” collectively | Federal “States” collectively | Federal “States” collectively           | Federal “States” collectively           | Federal “States” collectively           |
| “United States”  | states of the Union collectively        | Federal United States**       | Federal United States**       | United States* the country              | Federal United States**                 | Federal United States**                 |

### NOTES:

1. The term “Federal state” or “Federal ‘States’” as used above means a federal territory as defined in [4 U.S.C. §110\(d\)](#) and EXCLUDES states of the Union.
2. The term “Union state” means a “State” mentioned in the United States Constitution, and this term EXCLUDES and is mutually exclusive to a federal “State”.
3. If you would like to investigate the various “words of art” that lawyers in the federal government use to deceive you, we recommend the following:
  - 3.1. *Sovereignty Forms and Instructions Online*, Form #10.004, Cites by Topic: <http://famguardian.org/TaxFreedom/FormsInstr-Cites.htm>
  - 3.2. *Great IRS Hoax*, Form #11.302, Sections 3.9.1 through 3.9.1.28.

<sup>2</sup> See California Revenue and Taxation Code, section 6017 at <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=rtc&group=06001-07000&file=6001-6024>

<sup>3</sup> See California Revenue and Taxation Code, section 17018 at <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=rtc&group=17001-18000&file=17001-17039.1>

<sup>4</sup> See, for instance, U.S. Constitution Article IV, Section 2.

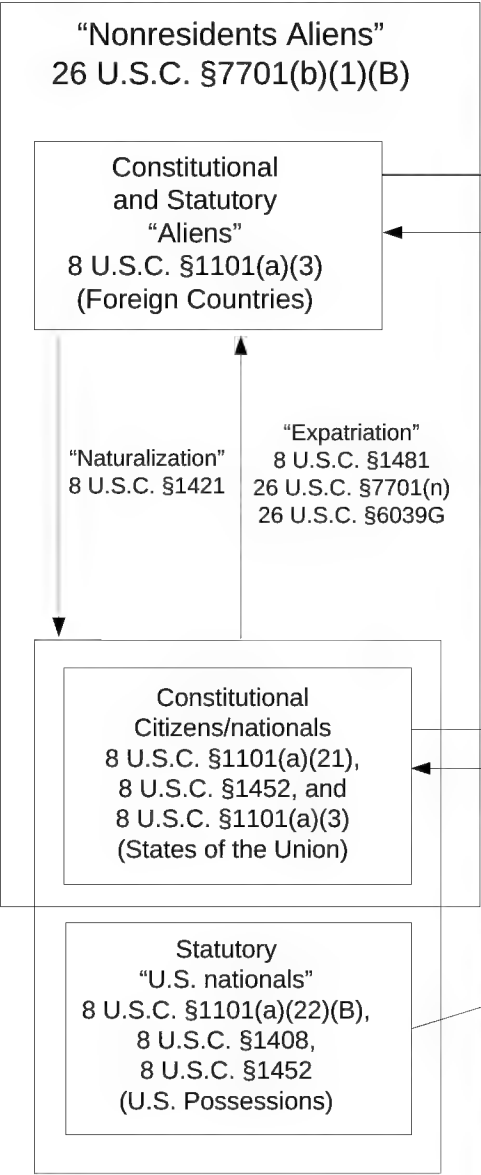
1  
2  
3  
  
4  
5

9.5 Citizenship and Domicile Options and Relationships

Figure 1: Citizenship and domicile options and relationships

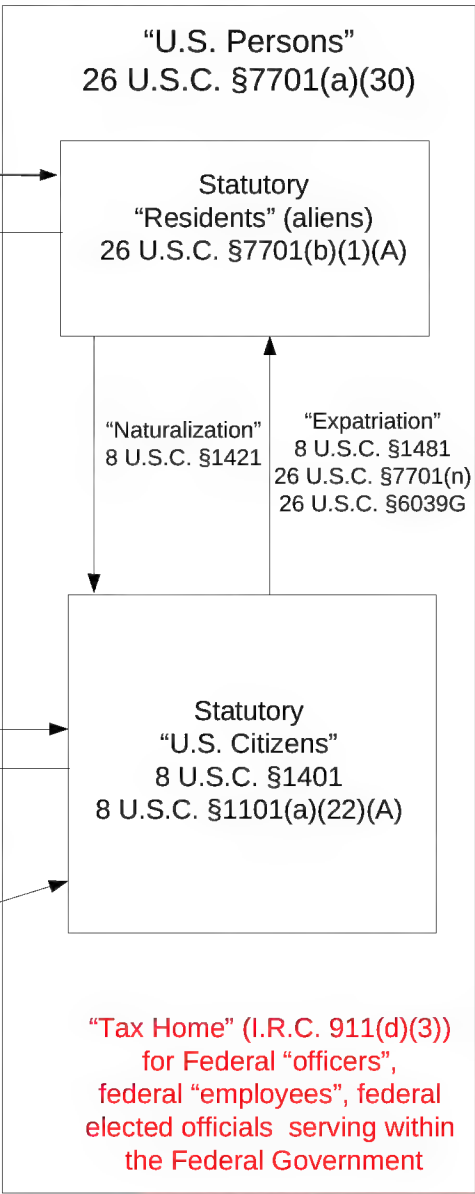
NONRESIDENTS

Domiciled within  
States of the Union OR  
Foreign Countries  
Without the "United States"



INHABITANTS

Domiciled within Federal  
Territory within the  
"United States"  
(e.g. District of Columbia)



"Declaration of Domicile  
to within the United States"  
26 CFR §1.871-4

26 U.S.C. §7701(n)  
26 U.S.C. §6039G

Change Domicile to  
within "United States"  
IRS Forms 1040 and W-4

Change Domicile to  
without "United States"  
IRS Forms 1040NR and W-8

Change Domicile to  
within "United States"

## **9.6 Statutory Rules for Converting Between Various Domicile and Citizenship Options Within Federal Law**

The rules depicted above are also described in text form using the list below, if you would like to investigate the above diagram further:

1. **“Aliens” or “alien individuals”**: Those born in a foreign country and not within any state of the Union or within any federal territory.
  - 1.1. “Alien” is defined in 8 U.S.C. §1101(a)(3) as a person who is neither a citizen nor a national.
  - 1.2. “Alien individual” is defined in 26 CFR §1.1441-1(c)(3)(i).
  - 1.3. An alien is defined in 8 U.S.C. §1101(a)(3) as a person who is neither a statutory “U.S. citizen” per 8 U.S.C. §1401 nor a “national of the United States” per 8 U.S.C. §1101(a)(22)..
  - 1.4. An alien with no domicile in the “United States” is presumed to be a “nonresident alien” pursuant to 26 CFR §1.871-4(b).
2. **“Residents” or “resident aliens”**: An “alien” or “alien individual” with a legal domicile on federal territory.
  - 2.1. “Resident aliens” are defined in 26 U.S.C. §7701(b)(1)(A).
  - 2.2. A “resident alien” is an alien as defined in 8 U.S.C. §1101(a)(3) who has a legal domicile on federal territory that is no part of the exclusive jurisdiction of any state of the Union.
  - 2.3. An “alien” becomes a “resident alien” by filing IRS Form 1078 pursuant to 26 CFR §1.871-4(c)(ii) and thereby electing to have a domicile on federal territory.
3. **“Nonresident aliens”**: Those with no domicile on federal territory and who are born either in a foreign country, a state of the Union, or within the federal zone.
  - 3.1. Defined in 26 U.S.C. §7701(b)(1)(B).
  - 3.2. Also called a “nonresident”, “stateless person”, or “transient foreigner”.
  - 3.3. A “nonresident alien” is defined as a person who is neither a statutory “citizen” pursuant to 26 CFR §1.1-1(c) nor a statutory “resident” pursuant to 26 U.S.C. §7701(b)(1)(A).
  - 3.4. A person who is a “non-citizen national” pursuant to 8 U.S.C. §1452 and either 8 U.S.C. §1101(a)(21) or 8 U.S.C. §1101(a)(22)(B) is a “nonresident alien”.
4. **“Nonresident alien individuals”**: Those who are aliens and who do not have a domicile on federal territory.
  - 4.1. Defined in 26 CFR §1.1441-1(c)(3)(ii).
  - 4.2. Are a subset of all “aliens” as defined in 8 U.S.C. §1101(a)(3).
  - 4.3. Status is indicated in block 3 of the IRS Form W-8BEN under the term “Individual”.
  - 4.4. Excludes “non-citizen nationals as defined in 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452.
  - 4.5. Excludes those born within the exclusive jurisdiction of states of the Union who are therefore “non-citizen nationals” under federal law.
5. **Convertibility between “aliens”, “resident aliens”, and “nonresident aliens”, and “nonresident alien individuals”**:
  - 5.1. A “nonresident alien” is not the legal equivalent of an “alien” in law.
  - 5.2. IRS Form W-8BEN, block 3 has no block to check for those who are “nonresident aliens” but not “nonresident alien individuals”. Thus, the submitter of this form who is a “nonresident alien” and a non-citizen national but not a “nonresident alien individual” is effectively compelled to make an illegal and fraudulent election to become an alien and an “individual” if they do not add a block for “transient foreigner” or “Union State Citizen” to the form. See section 5.3 of the following:

About IRS Form W-8BEN, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>
  - 5.3. 26 U.S.C. §6013(g) and (h) and 26 U.S.C. §7701(b)(4)(B) authorize a “nonresident alien” who is married to a statutory “U.S. citizen” as defined in 26 CFR §1.1-1(c) to make an “election” to become a “resident alien”.
  - 5.4. It is unlawful for an unmarried “non-citizen national” pursuant to 8 U.S.C. §1452 and either 8 U.S.C. §1101(a)(21) or 8 U.S.C. §1101(a)(22)(B) to become a “resident alien”. This can only happen by either fraud or mistake.
  - 5.5. An alien may overcome the presumption that he is a “nonresident alien” and change his status to that of a “resident alien” by filing IRS Form 1078 pursuant to 26 CFR §1.871-4(c)(ii) while he is in the “United States”.
  - 5.6. The term “residence” can only lawfully be used to describe the domicile of an “alien”. Nowhere is this term used to describe the domicile of a “non-citizen national” or a “nonresident alien”. See 26 CFR §1.871-2.
  - 5.7. The only way a statutory “alien” under 8 U.S.C. §1101(a)(3) can become both a “non-citizen national” and a “nonresident alien” at the same time is to be naturalized pursuant to 8 U.S.C. §1421 and to have a domicile in either a U.S. possession or a state of the Union.



6. Sources of confusion on these issues:

6.1. One can be a “nonresident alien” pursuant to 26 U.S.C. §7701(b)(1)(B) without being an “individual” or a “nonresident alien individual”. An example would be a human being born within the exclusive jurisdiction of a state of the Union who is therefore a “non-citizen national” or “state national” pursuant to 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452 who does not participate in Social Security or use a Taxpayer Identification Number.

6.2. The term “United States” is defined in the Internal Revenue Code at 26 U.S.C. §7701(a)(9) and (a)(10).

6.3. The term “United States” for the purposes of citizenship is defined in 8 U.S.C. §1101(a)(38).

6.4. Any “U.S. Person” as defined in 26 U.S.C. §7701(a)(30) who is not found in the “United States” (federal territory pursuant to 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d)) shall be treated as having an effective domicile within the District of Columbia pursuant to 26 U.S.C. §7701(a)(39) and 26 U.S.C. §7408(d).

6.5. The term “United States” is equivalent for the purposes of statutory “citizens” pursuant to 26 CFR §1.1-1(c) and “citizens” as used in the Internal Revenue Code. See 26 CFR §1.1-1(c).

6.6. The term “United States” as used in the Constitution of the United States is NOT equivalent to the statutory definition of the term used in:

6.6.1. 26 U.S.C. §7701(a)(9) and (a)(10).

6.6.2. 8 U.S.C. §1101(a)(38).

The “United States” as used in the Constitution means the states of the Union and excludes federal territory, while the term “United States” as used in federal statutory law means federal territory and excludes states of the Union.

6.7. A constitutional “citizen of the United States” as mentioned in the Fourteenth Amendment is NOT equivalent to a statutory “citizen and national of the United States” as used in 8 U.S.C. §1401. See:

Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

6.8. In the case of jurisdiction over aliens only, the term “United States” implies all 50 states and the federal zone, and is not restricted only to the federal zone. See:

6.8.1. Nonresident Alien Position, Form #05.020

<http://sedm.org/Forms/FormIndex.htm>

6.8.2. Kleindienst v. Mandel, 408 U.S. 753 (1972)

*In accord with ancient principles of the international law of nation-states, the Court in The Chinese Exclusion Case, 130 U.S. 581, 609 (1889), and in Fong Yue Ting v. United States, 149 U.S. 698 (1893), held broadly, as the Government describes it, Brief for Appellants 20, that the power to exclude aliens is “inherent in sovereignty, necessary for maintaining normal international relations and defending the country against foreign encroachments and dangers - a power to be exercised exclusively by the political branches of government . . . .” Since that time, the Court’s general reaffirmations of this principle have [408 U.S. 753, 766] been legion. “6 The Court without exception has sustained Congress’ “plenary power to make rules for the admission of aliens and to exclude those who possess those characteristics which Congress has forbidden.” Boutilier v. Immigration and Naturalization Service, 387 U.S. 118, 123 (1967). “[O]ver no conceivable subject is the legislative power of Congress more complete than it is over” the admission of aliens. Oceanic Navigation Co. v. Stranahan, 214 U.S. 320, 339 (1909). [Kleindienst v. Mandel, 408 U.S. 753 (1972)]*

6.8.3. Chae Chan Ping v. U.S., 130 U.S. 581 (1889)

*While under our constitution and form of government the great mass of local matters is controlled by local authorities, the United States, in their relation to foreign countries and their subjects or citizens, are one nation, invested with powers which belong to independent nations, the exercise of which can be invoked for the maintenance of its absolute independence and security throughout its entire territory. The powers to declare war, make treaties, suppress insurrection, repel invasion, regulate foreign commerce, secure republican governments to the states, and admit subjects of other nations to citizenship, are all sovereign powers, restricted in their exercise only by the constitution itself and considerations of public policy and justice which control, more or less, the conduct of all civilized nations. As said by this court in the case of Cohens v. Virginia, 6 Wheat. 264, 413, speaking by the same great chief justice: “That the United States form, for many, and for most important purposes, a single nation, has not yet been denied. In war, we are one people. In making peace, we are one people. In all commercial regulations, we are one and the same people. In many other respects, the American people are one; and the government which is alone capable of controlling and managing their interests in all these respects is the government of the Union. It is their government, and in that character they have no other. America has chosen to [130 U.S. 581, 605] be in many respects, and to many purposes, a nation; and for all these purposes her government is complete; to all these objects, it is competent. The people have declared that in the exercise of all powers given for these objects it is supreme. It can, then, in effecting these objects, legitimately control all individuals or governments within the American territory.”*

[. . .]

1 "The power of exclusion of foreigners being an incident of sovereignty belonging to the government of the  
2 United States as a part of those sovereign powers delegated by the constitution, the right to its exercise at any  
3 time when, in the judgment of the government, the interests of the country require it, cannot be granted away or  
4 restrained on behalf of any one. The powers of government are delegated in trust to the United States, and are  
5 incapable of transfer to any other parties. They cannot be abandoned or surrendered. Nor can their exercise  
6 be hampered, when needed for the public good, by any considerations of private interest. The exercise of  
7 these public trusts is not the subject of barter or contract."  
8 [*Chae Chan Ping v. U.S.*, 130 U.S. 581 (1889)]

## 9 **9.7 Effect of Federal Franchises and Offices Upon Your Citizenship and Standing in Court**

10 Another important element of citizenship is that artificial entities like corporations are statutory but not Constitutional  
11 citizens in the context of civil litigation.

12 "A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was  
13 created, and of that state or country only."  
14 [19 Corpus Juris Secundum, Corporations, §886]  
15

16 "A corporation is not a citizen within the meaning of that provision of the Constitution, which declares that the  
17 citizens of each State shall be entitled to all the privileges and immunities of citizens of the several States."  
18 [Paul v. Virginia, 8 Wall (U.S.) 168, 19 L.Ed 357 (1868)]

19 Likewise, all governments are "corporations" as well.

20 "Corporations are also of all grades, and made for varied objects; all governments are corporations, created  
21 by usage and common consent, or grants and charters which create a body politic for prescribed purposes;  
22 but whether they are private, local or general, in their objects, for the enjoyment of property, or the exercise  
23 of power, they are all governed by the same rules of law, as to the construction and the obligation of the  
24 instrument by which the incorporation is made. One universal rule of law protects persons and property. It is  
25 a fundamental principle of the common law of England, that the term freemen of the kingdom, includes 'all  
26 persons,' ecclesiastical and temporal, incorporate, politique or natural; it is a part of their magna charta (2  
27 Inst. 4), and is incorporated into our institutions. The persons of the members of corporations are on the same  
28 footing of protection as other persons, and their corporate property secured by the same laws which protect  
29 that of individuals. 2 Inst. 46-7. 'No man shall be taken,' 'no man shall be disseised,' without due process of law,  
30 is a principle taken from magna charta, infused into all our state constitutions, and is made inviolable by the  
31 federal government, by the amendments to the constitution."  
32 [Proprietors of Charles River Bridge v. Proprietors of Warren Bridge, 36 U.S. 420 (1837)]  
33

34 TITLE 28 - JUDICIARY AND JUDICIAL PROCEDURE  
35 PART VI - PARTICULAR PROCEEDINGS  
36 CHAPTER 176 - FEDERAL DEBT COLLECTION PROCEDURE  
37 SUBCHAPTER A - DEFINITIONS AND GENERAL PROVISIONS  
38 Sec. 3002. Definitions

39 (15) "United States" means -  
40 (A) a Federal corporation;  
41 (B) an agency, department, commission, board, or other entity of the United States; or  
42 (C) an instrumentality of the United States.  
43

44 "A federal corporation operating within a state is considered a domestic corporation rather than a foreign  
45 corporation. The United States government is a foreign corporation with respect to a state."  
46 [19 Corpus Juris Secundum, Corporations, §883]

47 Those who are acting in a representative capacity on behalf of the national government as "public officers" therefore  
48 assume the same status as their employer pursuant to Federal Rule of Civil Procedure 17(b). To wit:

49 IV. PARTIES > Rule 17.  
50 Rule 17. Parties Plaintiff and Defendant; Capacity

51 (b) Capacity to Sue or be Sued.

52 Capacity to sue or be sued is determined as follows:

(1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;  
(2) for a corporation[the "United States", in this case, or its officers on official duty representing the corporation], by the law under which it was organized[laws of the District of Columbia]; and  
(3) for all other parties, by the law of the state where the court is located, except that:  
(A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws; and  
(B) 28 U.S.C. §§ 754 and 959(a) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.  
[SOURCE: <http://www.law.cornell.edu/frcp/Rule17.htm>]

Persons acting in the capacity as "public officers" of the national government are therefore acting as "officers of a corporation" as described in 26 U.S.C. §6671(b) and 26 U.S.C. §7343 and become "persons" within the meaning of federal statutory law.

TITLE 26 > Subtitle F > CHAPTER 68 > Subchapter B > PART I > § 6671  
§ 6671. Rules for application of assessable penalties

(b) Person defined

The term "person", as used in this subchapter, **includes an officer or employee of a corporation, or a member or employee of a partnership**, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

TITLE 26 > Subtitle F > CHAPTER 75 > Subchapter D > § 7343  
§7343. Definition of term "person"

The term "person" as used in this chapter **includes an officer or employee of a corporation, or a member or employee of a partnership**, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

Because all corporations are "citizens", then "public officers" also take on the character of "U.S. citizens" in the capacity of their official duties, regardless of what they are as private individuals. It is also interesting to note that IRS correspondence very conspicuously warns the recipient right underneath the return address the following, confirming that they are corresponding with a "public officer" and not a private individual:

"Penalty for private use \$300."

Note that all "taxpayers" are "public officers" of the national government, and they are referred to in the Internal Revenue Code as "effectively connected with a trade or business". The term "trade or business" is defined as "the functions of a public office":

26 U.S.C. Sec. 7701(a)(26)

"The term 'trade or business' includes the performance of the functions of a public office."

For details on this scam, see:

1. Proof That There Is a "Straw Man", Form #05.042  
<http://sedm.org/Forms/FormIndex.htm>
2. Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes, Form #05.008  
<http://sedm.org/Forms/FormIndex.htm>
3. The "Trade or Business" Scam, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>
4. Who are "Taxpayers" and Who Needs a "Taxpayer Identification Number"?, Form #05.013  
<http://sedm.org/Forms/FormIndex.htm>

The U.S. Supreme Court has also said it is "repugnant to the constitution" for the government to regulate private conduct. The only way you can lawfully become subject to the government's jurisdiction or the tax laws is to engage in "public conduct" as a "public officer" of the national government.



1 "The power to "legislate generally upon" life, liberty, and property, as opposed to the "power to provide  
2 modes of redress" against offensive state action, was "repugnant" to the Constitution. Id., at 15. See also  
3 United States v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106 U.S. 629, 639 (1883); James v.  
4 Bowman, 190 U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been  
5 superseded or modified, see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964); United  
6 States v. Guest, 383 U.S. 745 (1966), their treatment of Congress' §5 power as corrective or preventive, not  
7 definitional, has not been questioned."  
8 [City of Boerne v. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997)]

9 Note also that ordinary "employees" are NOT "public officers":

10 Treatise on the Law of Public Offices and Officers  
11 Book 1: Of the Office and the Officer: How Officer Chosen and Qualified  
12 Chapter I: Definitions and Divisions

13 §2 How Office Differs from Employment.-

14 A public office differs in material particulars from a public employment, for, as was said by Chief Justice  
15 MARSHALL, "although an office is an employment, it does not follow that every employment is an office. A man  
16 may certainly be employed under a contract, express or implied, to perform a service without becoming an  
17 officer."

18 "We apprehend that the term 'office,'" said the judges of the supreme court of Maine, "implies a delegation of a  
19 portion of the sovereign power to, and the possession of it by, the person filling the office; and the exercise of  
20 such power within legal limits constitutes the correct discharge of the duties of such office. The power thus  
21 delegated and possessed may be a portion belonging sometimes to one of the three great departments and  
22 sometimes to another; still it is a legal power which may be rightfully exercised, and in its effects it will bind the  
23 rights of others and be subject to revision and correction only according to the standing laws of the state. An  
24 employment merely has none of these distinguishing features. A public agent acts only on behalf of his  
25 principal, the public, whose sanction is generally considered as necessary to give the acts performed the  
26 authority and power of a public act or law. And if the act be such as not to require subsequent sanction, still it  
27 is only a species of service performed under the public authority and for the public good, but not in the  
28 exercise of any standing laws which are considered as roles of action and guardians of rights."

29 "The officer is distinguished from the employee," says Judge COOLEY, "in the greater importance, dignity and  
30 independence of his position; in being required to take an official oath, and perhaps to give an official bond; in  
31 the liability to be called to account as a public offender for misfeasance or non-feasance in office, and usually,  
32 though not necessarily, in the tenure of his position. In particular cases, other distinctions will appear which  
33 are not general."

34 [A Treatise on the Law of Public Offices and Officers, Floyd Russell Mechem, 1890, pp. 3-4, §2;  
35 SOURCE: <http://books.google.com/books?id=g-I9AAAAIAAJ&printsec=titlepage>]

36 The ruse described in this section of making corporations into "citizens" and those who work for them into "public  
37 officers" of the government and "taxpayers" started just after the Civil War. Congress has always been limited to taxing  
38 things that it creates, which means it has never been able to tax anything but federal and not state corporations. The  
39 Supreme Court has confirmed, for instance, that the income tax is and always has been a franchise or privilege tax upon  
40 profit of federal corporations.

41 "Excises are taxes laid upon the manufacture, sale or consumption of commodities within the country, upon  
42 licenses to pursue certain occupations and upon corporate privileges...the requirement to pay such taxes  
43 involves the exercise of [220 U.S. 107, 152] privileges, and the element of absolute and unavoidable demand  
44 is lacking...

45 ...It is therefore well settled by the decisions of this court that when the sovereign authority has exercised the  
46 right to tax a legitimate subject of taxation as an exercise of a franchise or privilege, it is no objection that the  
47 measure of taxation is found in the income produced in part from property which of itself considered is  
48 nontaxable...

49 Conceding the power of Congress to tax the business activities of private corporations.. the tax must be  
50 measured by some standard..."  
51 [Flint v. Stone Tracy Co., 220 U.S. 107 (1911)]

52  
53 "The Sixteenth Amendment declares that Congress shall have power to levy and collect taxes on income, "from  
54 [271 U.S. 174] whatever source derived," without apportionment among the several states and without regard  
55 to any census or enumeration. It was not the purpose or effect of that amendment to bring any new subject

1 within the taxing power. Congress already had power to tax all incomes. But taxes on incomes from some  
2 sources had been held to be "direct taxes" within the meaning of the constitutional requirement as to  
3 apportionment. Art. 1, § 2, cl. 3, § 9, cl. 4; *Pollock v. Farmers' Loan & Trust Co.*, 158 U.S. 601. The  
4 Amendment relieved from that requirement, and obliterated the distinction in that respect between taxes on  
5 income that are direct taxes and those that are not, and so put on the same basis all incomes "from whatever  
6 source derived." *Brushaber v. Union P. R. Co.*, 240 U.S. 1, 17. "Income" has been taken to mean the same  
7 thing as used in the Corporation Excise Tax Act of 1909, in the Sixteenth Amendment, and in the various  
8 revenue acts subsequently passed. *Southern Pacific Co. v. Lowe*, 247 U.S. 330, 335; *Merchants' L. & T. Co.*  
9 *v. Smietanka*, 255 U.S. 509, 219. After full consideration, this Court declared that income may be defined as  
10 gain derived from capital, from labor, or from both combined, including profit gained through sale or  
11 conversion of capital. *Stratton's Independence v. Howbert*, 231 U.S. 399, 415; *Doyle v. Mitchell Brothers*  
12 *Co.*, 247 U.S. 179, 185; *Eisner v. Macomber*, 252 U.S. 189, 207. And that definition has been adhered to and  
13 applied repeatedly. See, e.g., *Merchants' L. & T. Co. v. Smietanka*, supra; 518; *Goodrich v. Edwards*, 255 U.S.  
14 527, 535; *United States v. Phellis*, 257 U.S. 156, 169; *Miles v. Safe Deposit Co.*, 259 U.S. 247, 252-253; *United*  
15 *States v. Supplee-Biddle Co.*, 265 U.S. 189, 194; *Irwin v. Gavit*, 268 U.S. 161, 167; *Edwards v. Cuba Railroad*,  
16 268 U.S. 628, 633. In determining what constitutes income, substance rather than form is to be given  
17 controlling weight. *Eisner v. Macomber*, supra, 206. [271 U.S. 175]"  
18 [*Bowers v. Kerbaugh-Empire Co.*, 271 U.S. 170, 174, (1926)]

19  
20 "As repeatedly pointed out by this court, the Corporation Tax Law of 1909..imposed an excise or privilege tax,  
21 and not in any sense, a tax upon property or upon income merely as income. It was enacted in view of the  
22 decision of *Pollock v. Farmer's Loan & T. Co.*, 157 U.S. 429, 29 L. Ed. 759, 15 Sup. St. Rep. 673, 158 U.S. 601,  
23 39 L. Ed. 1108, 15 Sup. Ct. Rep. 912, which held the income tax provisions of a previous law to be  
24 unconstitutional because amounting in effect to a direct tax upon property within the meaning of the  
25 Constitution, and because not apportioned in the manner required by that instrument."  
26 [*U.S. v. Whiteridge*, 231 U.S. 144, 34 S. Sup. Ct. 24 (1913)]

27 To create and expand a national income tax, the federal government therefore had to make the municipal government of the  
28 District of Columbia into a federal corporation in 1871 and then impose an income tax upon the officers of the corporation  
29 ("public officers") by making all of their earnings from the office into "profit" and "gross income" subject to excise tax  
30 upon the franchise they participate in. Below is the history of this transformation. You can find more in *Great IRS Hoax*,  
31 Form #11.302, Chapter 6:

- 32 1. The first American Income Tax was passed in 1862. See:  
12 Stat. 432.  
<http://memory.loc.gov/cgi-bin/ampage?collId=llsl&fileName=012/llsl012.db&recNum=463>
- 33 2. The License Tax Cases was heard in 1866 by the Supreme Court, in which the Supreme Court said that Congress could  
34 not license a trade or business in a state in order to tax it, referring to the civil war tax enacted in 1862. See:  
License Tax Cases, 72 U.S. 462 (1866)  
<http://caselaw.lp.findlaw.com/scripts/getcase.pl?navby=case&court=us&vol=72&page=462>
- 35 3. The Fourteenth Amendment was ratified in 1868. This makes corporations "citizens".
- 36 4. The civil war income tax was repealed in 1871. See:  
37 4.1. 17 Stat. 401  
38 4.2. *Great IRS Hoax*, Form #11.302, Section 6.5.20.
- 39 5. Congress incorporated the District of Columbia in 1871. The incorporation of the District of Columbia was done to  
40 expand the income tax by taxing the government's own "public officers" as a federal corporation. See the following:  
19 Stat. 419  
<http://famguardian.org/Subjects/Taxes/16Amend/SpecialLaw/DCCorpStatuesAtLarge.pdf>

41 If you would like to know more about how franchises such as a "public office" affect your effective citizenship and  
42 standing in court, see:

*Government Instituted Slavery Using Franchises*, Form #05.030  
<http://sedm.org/Forms/FormIndex.htm>

## **9.8 Federal Statutory Citizenship Statuses Diagram**

**Figure 2: Federal Statutory Citizenship Statuses Diagram**



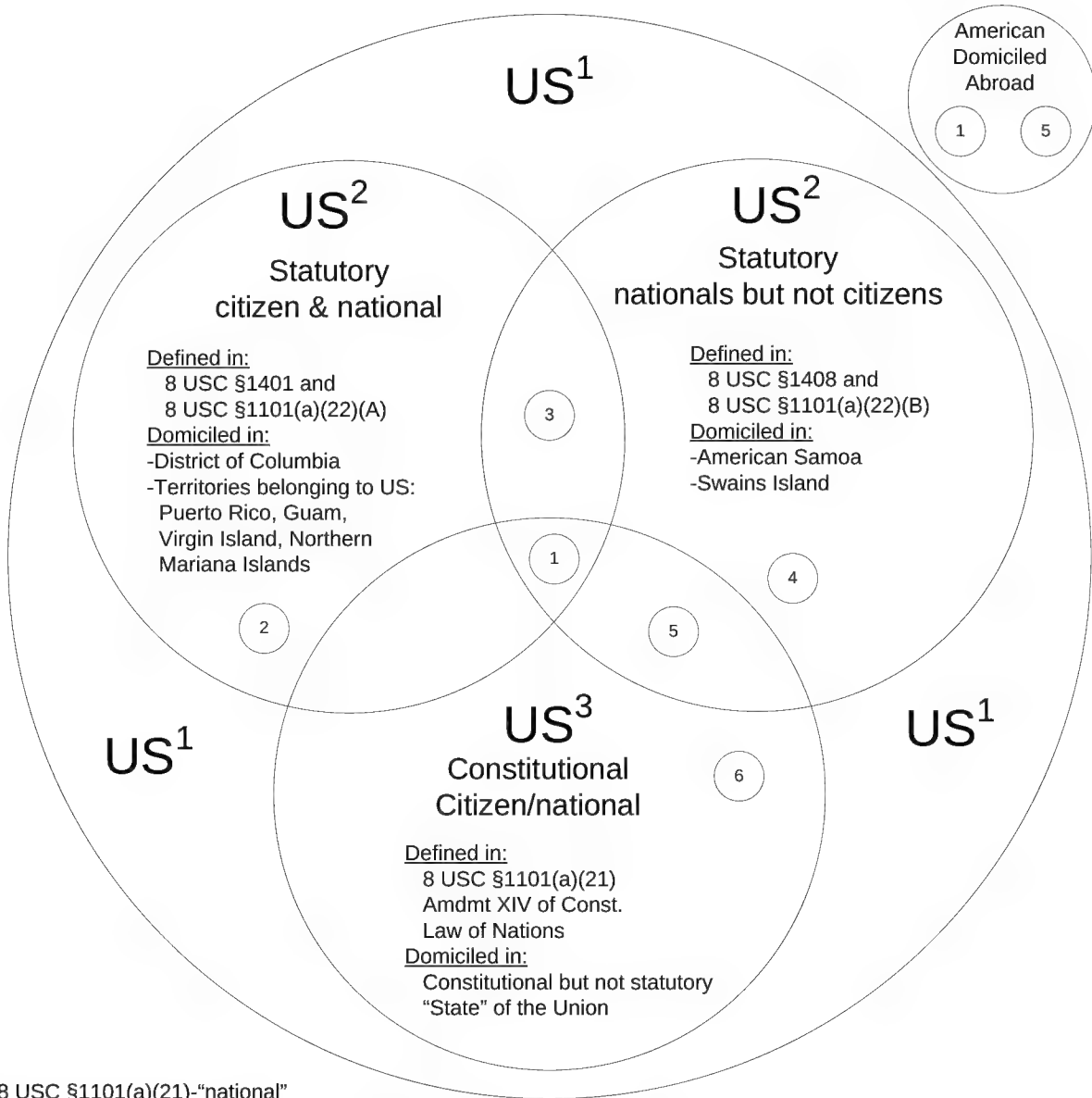
# FEDERAL STATUTORY CITIZENSHIP STATUSES

"The term 'United States' may be used in any one of several senses. **1)** It may be merely the name of a sovereign occupying the position analogous to that of other sovereigns in the family of nations. **2)** It may designate the territory over which the sovereignty of the United States extends, or **3)** it may be the collective name of the states which are united by and under the Constitution." **[Numbering Added]** [Hooven & Allison Co. v. Evatt, 324 U.S. 652, (1945)]

**US<sup>1</sup>** - Context used in matters describing our sovereign country within the family of nations.

**US<sup>2</sup>** - Context used to designate the territory over which the Federal Government is sovereign.

**US<sup>3</sup>** - Context used regarding the sovereign states of the Union united by and under the Constitution.



- ① 8 USC §1101(a)(21)-“national”
- ② 8 USC §1401-“citizen & national of the United States”<sup>2</sup>
- ③ 8 USC §1101(a)(22)-“national of the United States”<sup>2</sup>
- ④ 8 USC §1408-“national of the United States<sup>2</sup> at birth”
- ⑤ 8 USC §1452-“non-citizen national”
- ⑥ 8 USC §1101(a)(3)-“alien”

1 and 5 Describe those born within and domiciled within states of the Union.

Rev. 9/16/09

## 10 “Sovereign”=“Foreign”<sup>5</sup>

In law, a “nonresident alien” is called a “foreigner”, “stranger”, “transient foreigner”, “sojourner”, “stateless person”, or simply a “nonresident”. This is an unavoidable result of the fact that states of the Union are:

1. Sovereign in respect to each other and in respect to federal jurisdiction.
2. “foreign countries” or “foreign states” with respect to federal legislative jurisdiction.

*“The United States Government is a foreign corporation with respect to a state.” [N.Y. v. re Merriam 36 N.E. 505; 141 N.Y. 479; affirmed 16 S.Ct. 1073; 41 L. Ed. 287]  
[19 Corpus Juris Secundum (C.J.S.) legal encyclopedia, United States, §884]*

3. Addressed as “states” rather than “States” in federal law because they are foreign.
4. The equivalent of independent nations in in respect to federal jurisdiction excepting the subject of foreign affairs.

***“The States between each other are sovereign and independent.** They are distinct and separate sovereignties, except so far as they have parted with some of the attributes of sovereignty by the Constitution. **They continue to be nations, with all their rights, and under all their national obligations, and with all the rights of nations in every particular;** except in the surrender by each to the common purposes and objects of the Union, under the Constitution. The rights of each State, when not so yielded up, remain absolute.”  
[Bank of Augusta v. Earle, 38 U.S. (13 Pet.) 519; 10 L.Ed. 274 (1839)]*

Many Americans naturally cringe at the idea of being called a “foreigner” in their own country. The purpose of this section is to explain why there is nothing wrong with maintaining the status of being “foreign” and why it is the ONLY way to preserve and protect the separation of powers that was put into place by the very wise founding fathers for the explicit purpose of protecting our sacred Constitutional Rights.

Going along with the notion of the Separation Of Powers doctrine is the concept of “sovereignty”. Sovereignty is the foundation of all government in America and fundamental to understanding our American system of government. Below is how President Theodore Roosevelt, one of our most beloved Presidents, describes “sovereignty”:

*“We of this mighty western Republic have to grapple with the dangers that spring from popular self-government tried on a scale incomparably vaster than ever before in the history of mankind, and from an abounding material prosperity greater also than anything which the world has hitherto seen.*

*As regards the first set of dangers, it behooves us to remember that men can never escape being governed. Either they must govern themselves or they must submit to being governed by others. If from lawlessness or fickleness, from folly or self-indulgence, they refuse to govern themselves then most assuredly in the end they will have to be governed from the outside. They can prevent the need of government from without only by showing they possess the power of government from within. A sovereign cannot make excuses for his failures; a sovereign must accept the responsibility for the exercise of power that inheres in him; and where, as is true in our Republic, the people are sovereign, then the people must show a sober understanding and a sane and steadfast purpose if they are to preserve that orderly liberty upon which as a foundation every republic must rest.”  
[President Theodore Roosevelt; Opening of the Jamestown Exposition; Norfolk, VA, April 26, 1907]*

In this section, we will cover some very important implications of sovereignty within the context of government authority and jurisdiction generally. We will analyze these implications both from the standpoint of relations WITHIN a government and the relationship that government has with its citizens and subjects. This is expanded upon the subject of sovereignty in the context of taxes in sections 5.2.2 and 5.2.3 of the Great IRS Hoax, Form #11.302.

Sovereignty can exist within individuals, families, churches, cities, counties, states, nations, and even international bodies. This is depicted in the “onion diagram” below, which shows the organization of personal, family, church, and civil government graphically. The boundaries and relations between each level of government are defined by God Himself, who is the Creator of all things and the Author of the user manual for it all, His Holy Book. Each level of the “onion” below is considered sovereign, independent, and “foreign” with respect to all the levels external to it. Each level of the diagram represents an additional layer of protection for those levels within it, keeping in mind that the purpose of government at every level is “protection” of the sovereigns which it was created to serve and which are within it in the diagram below:

<sup>5</sup> Adapted with permission from Great IRS Hoax, Form #11.302, section 4.3.7.

1     **Figure 3: Hierarchy of sovereignty**



2

3     The interior levels of the above onion govern and direct the external levels of the onion. For instance, citizens govern and  
4     direct their city, county, state, and federal governments by exercising their political right to vote and serve on jury duty.  
5     Here is how the Supreme Court describes it:

6                     *"The words 'people of the United States' and 'citizens,' are synonymous terms, and mean the same thing. They*  
7                     *both describe the political body who, according to our republican institutions, form the sovereignty, and **who***  
8                     ***hold the power and conduct the government through their representatives.** They are what we familiarly call*  
9                     *the 'sovereign people,' and every citizen is one of this people, and a constituent member of this sovereignty. ..."*  
10                    *[Boyd v. State of Nebraska, [143 U.S. 135](#) (1892)]*

11                    *"...at the Revolution, the sovereignty devolved on the people; and they are truly the sovereigns of the country,*  
12                    *but they are sovereigns without subjects...with none to govern but themselves; the citizens of America are equal*  
13                    *as fellow citizens, and as joint tenants in the sovereignty."*  
14                    *[Chisholm v. Georgia, [2 Dall \(U.S.\) 419](#), 454, 1 L.Ed. 440, 455 @DALL 1793, pp. 471-472]*

15     City governments control their state governments by directing elections, controlling what appears on the ballot, and  
16     controlling how much of the property and sales tax revenues are given to the states. State government exercise their



1 authority over the federal government by sending elected representatives to run the Senate and by controlling the “purse” of  
2 the federal government when direct taxes are apportioned to states.

3 Sovereignty also exists *within* a single governmental unit. For instance, in the previous section, we described the  
4 Separation of Powers Doctrine by showing how a “republican form of government” divides the federal government into  
5 three distinct, autonomous, and completely independent branches that are free from the control of the other branches.  
6 Therefore, the Executive, Legislative, and Judicial departments of both state and federal governments are “foreign” and  
7 “alien” with respect to the other branches.

8 Sovereignty is defined in man’s law as follows, in Black’s Law Dictionary:

9 *“Sovereignty. The supreme, absolute, and uncontrollable power by which any independent state is governed;  
10 supreme political authority; paramount control of the constitution and frame of government and its  
11 administration; self sufficient source of political power, from which all specific political powers are derived;  
12 the international independence of a state, combined with the right and power of regulating its internal affairs  
13 without foreign dictation; also a political society, or state, which is sovereign and independent. Chisholm v.  
14 Georgia, 2 Dall. 455, 1 L.Ed. 440; Union Bank v. Hill, 3 Cold., Tenn 325; Moore v. Shaw, 17 Cal. 218, 79  
15 Am.Dec. 123; State v. Dixon, 66 Mont. 76, 213 P. 227.”*  
16 *[Black’s Law Dictionary, Fourth Edition (1951), p. 1568]*

17 “Sovereignty” consists of the combination of legal authority and responsibility that a government or individual has within  
18 our American system of jurisprudence. The key words in the above definition of sovereignty are: “foreign”,  
19 “uncontrollable”, and “independence”. A “sovereign” is:

- 20 1. A servant and fiduciary of all sovereigns *internal* to it.  
21 2. Not subject to the legislative or territorial jurisdiction of any *external* sovereign. This is because he is the “author” of  
22 the law that governs the external sovereign and therefore not subject to it.

23 *“Sovereignty itself is, of course, not subject to law, for it is the author and source of law...While sovereign  
24 powers are delegated to...the government, sovereignty itself remains with the people.”*  
25 *[Yick Wo v. Hopkins, 118 U.S. 356 (1886)]*

- 26 3. “Foreign” but not a privileged “alien” with respect to other *external* sovereigns, from a legal perspective. This means  
27 that:  
28 3.1. The purpose of the laws of the sovereign at any level is to establish a fiduciary duty to protect the rights and  
29 sovereignty of all those entities which are *internal* to a sovereignty.  
30 3.2. The existence of a sovereign may be acknowledged and *defined*, but not *limited* by the laws of an *external*  
31 sovereign.  
32 3.3. The rights and duties of a sovereign are *not* prescribed in any law of an external sovereign.  
33 4. “Independent” of other sovereigns. This means that:  
34 4.1. The sovereign has a duty to support and govern itself completely and to not place any demands for help upon an  
35 external sovereign.  
36 4.2. The moment a sovereign asks for “benefits” or help, it ceases to be sovereign and independent and must surrender  
37 its rights and sovereignty to an external sovereign using his power to contract in order to procure needed help.  
38 5. The purpose of the Constitution is to preserve “self-government” and independence at every level of sovereignty in the  
39 above onion diagram:

40 *“The determination of the Framers Convention and the ratifying conventions to preserve complete and*  
41 *unimpaired state [and personal] self-government in all matters not committed to the general government is*  
42 *one of the plainest facts which emerges from the history of their deliberations. And adherence to that*  
43 *determination is incumbent equally upon the federal government and the states. State powers can neither be*  
44 *appropriated on the one hand nor abdicated on the other. As this court said in Texas v. White, 7 Wall. 700,*  
45 *725, ‘The preservation of the States, and the maintenance of their governments, are as much within the*  
46 *design and care of the Constitution as the preservation of the Union and the maintenance of the National*  
47 *government. The Constitution, in all its provisions, looks to an indestructible Union, composed of indestructible*  
48 *States.’ Every journey to a forbidden end begins with the first step; and the danger of such a step by the federal*  
49 *government in the direction of taking over the powers of the states is that the end of the journey may find the*  
50 *states so despoiled of their powers, or-what may amount to the same thing-so [298 U.S. 238, 296] relieved of*  
51 *the responsibilities which possession of the powers necessarily enjoins, as to reduce them to little more than*  
52 *geographical subdivisions of the national domain. It is safe to say that if, when the Constitution was under*  
53 *consideration, it had been thought that any such danger lurked behind its plain words, it would never have been*  
54 *ratified. “*

Below are some examples of the operation of the above rules for sovereignty within the American system of government:

1. No federal law prescribes a duty upon a person who is a “national” but not a “citizen” under federal law, as defined in 8 U.S.C. §1101(a)(21) , 8 U.S.C. §1101(a)(22)(B), or 8 U.S.C. §1452. References to “nationals” within federal law are rare and every instance where it is mentioned is in the context of duties and obligations of public servants, rather than the “national himself” or herself.
2. Human beings who have not expressly and in writing contracted away their rights are “sovereign”. Here is how the U.S. Supreme Court describes it:

*"There is a clear distinction in this particular case between an individual and a corporation, and that the latter has no right to refuse to submit its books and papers for an examination at the suit of the State. The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private business in his own way. His power to contract is unlimited. He owes no such duty to the State, since he receives nothing therefrom, beyond the protection of his life and property. His rights are such as existed by the law of the land long antecedent to the organization of the State, and can only be taken from him by due process of law, and in accordance with the constitution. Among his rights are a refusal to incriminate himself, and the immunity of himself and his property from arrest or seizure except under a warrant of the law. He owes nothing to the public so long as he does not trespass upon their rights."*  
[Hale v. Henkel, 201 U.S. 43 at 47 (1905)]

3. States of the Union and the Federal government are both immune from lawsuits against them by “nationals”, except in cases where they voluntarily consent by law. This is called “sovereign immunity”. Read the Supreme Court case of *Alden v. Maine*, 527 U.S. 706 (1999) for exhaustive details on the constitutional basis for this immunity.
4. States of the Union are “foreign” with respect to the federal government for the purposes of legislative jurisdiction. In federal law, they are called “foreign states” and they are described with the lower case word “states” within the U.S. Code and in upper case “States” in the Constitution. Federal “States”, which are actually territories of the United States (see 4 U.S.C. §110(d)) are spelled in upper case in most federal statutes and codes. States of the Union are immune from the jurisdiction of federal courts, except in cases where they voluntarily consent to be subject to the jurisdiction. The federal government is immune from the jurisdiction of state courts and international bodies, except where it consents to be sued as a matter of law. This is called “sovereign immunity”.

*Foreign States: “Nations outside of the United States...Term may also refer to another state; i.e. a sister state. The term ‘foreign nations’, ...should be construed to mean all nations and states other than that in which the action is brought; and hence, one state of the Union is foreign to another, in that sense.”*  
[Black’s Law Dictionary, Sixth Edition, p. 648]

*Foreign Laws: “The laws of a foreign country or sister state. In conflicts of law, the legal principles of jurisprudence which are part of the law of a sister state or nation. Foreign laws are additions to our own laws, and in that respect are called ‘jus receptum’.”*  
[Black’s Law Dictionary, Sixth Edition, p. 647]

5. The rules for surrendering sovereignty are described in the “Foreign Sovereign Immunities Act”, which is codified in 28 U.S.C. §§1602-1611. A list of exceptions to the act in 28 U.S.C. §1605 define precisely what behaviors cause a sovereign to surrender their sovereignty to a fellow sovereign.

The key point we wish to emphasize throughout this section is that a sovereign is “foreign” with respect to all other external (outside them within the onion diagram) sovereigns and therefore not subject to their jurisdiction. In that respect, a sovereign is considered a “foreigner” of one kind or another in the laws of every sovereign external to it. For instance, a person who is a “national” but not a subject “citizen” under federal law, as defined in 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452, is classified as a “nonresident alien” within the Internal Revenue Code. He is “alien” to the code because he is not subject to it and he is a “nonresident” because he does not maintain a domicile in the federal zone. This is no accident, but simply proof in the law itself that such a person is in deed and in fact a “sovereign” with respect to the government entity that serves him. Understanding this key point is the foundation for understanding the next chapter, where we will prove to you with the government’s own laws that most Americans born in and living within states of the Union, which are “foreign states” with respect to federal jurisdiction, are:

1. “nonresident aliens” as defined under 26 U.S.C. §7701(b)(1)(B)
2. Not “persons” or “individuals” within federal civil law, including the Internal Revenue Code. You can’t be a “person” or an “individual” within federal law unless you either have a domicile within federal jurisdiction or contract with the

federal government to procure an identity or “res” within their jurisdiction and thereby become a “res-ident”. The U.S. Supreme Court has held that the rights of human beings are unalienable, which means they can’t be bargained or contracted away through any commercial process. Therefore, domicile is the only lawful source of jurisdiction over human beings.

*“Men are endowed by their Creator with certain unalienable rights,-life, liberty, and the pursuit of happiness;’ and to ‘secure,’ not grant or create, these rights, governments are instituted. That property [or income] which a man has honestly acquired he retains full control of. . .”*  
[Budd v. People of State of New York, 143 U.S. 517 (1892)]

Furthermore, the Bible says we can’t contract with “the Beast”, meaning the government and therefore, we have no delegated authority to give away our rights to the government:

*“You shall make no covenant [contract or franchise] with them [foreigners, pagans], nor with their [pagan government] gods [laws or judges]. They shall not dwell in your land [and you shall not dwell in theirs by becoming a “resident” in the process of contracting with them], lest they make you sin against Me [God]. For if you serve their gods [under contract or agreement or franchise], it will surely be a snare to you.”*  
[Exodus 23:32-33, Bible, NKJV]

3. Not “nonresident alien individuals”. You can’t be a “nonresident alien individual” without first being an “individual” and therefore a “person”. 26 U.S.C. §7701(c ) defines the term “person” to include “individuals”. Instead, they are “nonresident alien NON-individuals”.
4. “foreign” or “foreigners” with respect to federal jurisdiction. All of their property is classified as a “foreign estate” under 26 U.S.C. §7701(a)(31). In the Bible, this status is called a “stranger”:

*“You shall neither mistreat a **stranger** nor oppress him, for you were **strangers** in the land of Egypt.”*  
[Exodus 22:21, Bible, NKJV]

*“And if a **stranger** dwells with you in your land, you shall not mistreat him.”*  
[Leviticus 19:33, Bible, NKJV]

5. Not “foreign persons”. You can’t be a “foreign person” without first being a “person”.
6. “nontaxpayers” if they do not earn any income from within the “federal zone” or that is connected with an excise taxable activity called a “trade or business”, which is defined in 26 U.S.C. §7701(a)(26) as a public office in the United States government.
7. Not qualified to sit on a jury in a federal district court, because they are not “citizens” under federal law.

Now do you understand why the Internal Revenue Code does not define the term “foreign” anywhere? They don’t want to spill the beans and inform you that you are sovereign and not subject to their jurisdiction! Instead, they want to commit treason by destroying the sovereignty of the people and thereby expand their jurisdiction illegally by:

1. Promoting false presumption about federal jurisdiction.
2. Exploiting “cognitive dissonance” by appealing to the aversion of the average American to being called a “foreigner” or “nonresident alien” with respect to his own federal government.
3. Misleading and deceiving Americans into believing and declaring on government forms that they are statutory rather than constitutional “U.S. citizens” pursuant to 8 U.S.C. §1401 who are subject to their corrupt laws instead of “nationals” but not a “citizens” pursuant to 8 U.S.C. §1101(a)(21) . The purpose is to compel you through constructive fraud to associate with and conduct “commerce” (intercourse/fornication) with “the Beast” as a statutory “U.S. citizen”, who is a government whore. They do this by the following means:
  - 3.1. Using “words of art” to encourage false presumption.
  - 3.2. Using vague or ambiguous language that is not defined and using political propaganda instead of law to define the language.

Keep in mind the following with respect to a “foreigner” and the status of being an “nonresident alien” as a sovereign:

1. There is nothing wrong with being an “alien” in the tax code, as long as we aren’t an alien with a “domicile” on federal territory, which makes us into a “resident”. The taxes described under Subtitle A of the Internal Revenue Code are not upon “aliens”, but instead mainly upon “residents”, who are “aliens” with a legal domicile within federal exclusive jurisdiction. This is covered in section 5.4.19 of the Great IRS Hoax, Form #11.302.



2. A “nonresident alien” is not an “alien” and therefore not a “taxpayer” in most cases. 26 U.S.C. §7701(b)(1)(A) defines an “alien” as a person who is neither a citizen nor a resident of federal territory. 26 U.S.C. §7701(b)(1)(B) defines a “nonresident alien” as a person who is neither a citizen nor a national.
3. A “nonresident alien” who is also an “alien” may elect under 26 U.S.C. §6013(g) or [26 U.S.C. §7701\(b\)\(4\)](#) to be treated as a “resident” by filing the wrong tax form, the 1040, instead of the more proper 1040NR form. Since that election is a voluntary act, then income taxes are voluntary for nonresident aliens.
4. A “nonresident alien” who is a non-citizen national may not lawfully elect to become a “resident alien” or a “resident” pursuant to 26 U.S.C. §6013(g) or [26 U.S.C. §7701\(b\)\(4\)](#).
5. The only way that a “nonresident alien” who is also a “non-citizen national” can lawfully become domiciled in a place is if he or she or it physically moves to that place and then declares an intention to remain permanently and indefinitely. When the nonresident alien does this, it becomes a statutory citizen of that place, not a “resident alien”.
6. Only “aliens” can have a “residence” within the Internal Revenue Code pursuant to 26 CFR §1.871-2. Non-citizen nationals cannot lawfully be described as having a “residence” because that word is nowhere defined to include “non-citizen nationals” with a domicile or abode on federal territory.

If you would like to learn more about the rules that govern sovereign relations at every level, please refer to the table below:

**Table 7: Rules for Sovereign Relations/Government**

| # | Sovereignty              | Governance and Relations with other Sovereigns Prescribed By   |   |
|---|--------------------------|--|---|
|   |                          | God’s law  | Man’s law   |
| 1 | Self government          | Bible<br><a href="#">Family Constitution, Form #13.003</a>   | Criminal code. All other “codes” are voluntary and consensual.  |
| 2 | Family government        | Bible<br><a href="#">Family Constitution, Form #13.003</a><br><a href="#">Sovereign Christian Marriage, Form #06.009</a> | Family Code in most states, but only for those who get a state marriage license.  |
| 3 | Church government        | Bible<br><a href="#">Family Constitution, Form #13.003</a>   | Not subject to government jurisdiction under the <a href="#">Separation of Powers Doctrine</a>  |
| 4 | City government          | Bible  | Municipal code  |
| 5 | County government        | Bible  | County code   |
| 6 | State government         | Bible  | <a href="#">United State Constitution</a><br><a href="#">State Constitution</a><br><a href="#">State Code</a>   |
| 7 | Federal government       | Bible  | <a href="#">United State Constitution</a><br><a href="#">Statutes at Large</a><br><a href="#">United States Code</a><br><a href="#">Code of Federal Regulations</a> |
| 8 | International government | Bible  | <a href="#">Law of Nations</a> , Vattel   |

**NOTES:**

1. The *Sovereign Christian Marriage*, Form #06.009 book above may be downloaded from the Family Guardian website at: <http://sedm.org/Forms/FormIndex.htm>
2. The *Family Constitution*, Form #13.003 above may be downloaded for free from the Family Guardian website at: <http://sedm.org/Forms/FormIndex.htm>
3. Man’s laws may be referenced on the Family Guardian website at: <http://famguardian.org/TaxFreedom/LegalRef/LegalResrchSrc.htm>
4. God’s laws are summarized on the Family Guardian Website below: [http://famguardian.org/Subjects/LawAndGovt/ChurchVState/BibleLawIndex/bl\\_index.htm](http://famguardian.org/Subjects/LawAndGovt/ChurchVState/BibleLawIndex/bl_index.htm)
5. You can read *The Law of Nations* book mentioned above on the Family Guardian website at: <http://famguardian.org/Publications/LawOfNations/vattel.htm>

This concept of being a “foreigner” or “nonresident alien” as a sovereign is also found in the Bible as well. Remember what Jesus said about being free?:

*“Ye shall know the Truth and the Truth shall make you free.”*  
[John 8:32, Bible, NKJV]

We would also add to the above that the Truth shall also make you a “nonresident alien” in your own country! Below are a few examples why:

*“Adulterers and adulteresses! Do you now know that friendship [and “citizenship”] with the world [or the governments of the world] is enmity with God? **Whoever therefore wants to be a friend [“citizen” or “taxpayer” or “resident” or “inhabitant”] of the world makes himself an enemy of God.**”*  
[James 4:4, Bible, NKJV]

1 "For our citizenship is in heaven [and not earth], from which we also eagerly wait for the Savior, the Lord  
2 Jesus Christ"  
3 [Philippians 3:20, Bible, NKJV]

4 "I am a stranger in the earth; Do not hide Your commandments [laws] from me."  
5 [Psalms 119:19, Bible, NKJV]

6 "I have become a stranger to my brothers, and an alien to my mother's children; because zeal for Your  
7 [God's] house has eaten me up, and the reproaches of those who reproach You have fallen on me."  
8 [Psalms 69:8-9, Bible, NKJV]

9 It is one of the greatest ironies of law and government that the only way you can be free and sovereign is to be "foreign" or  
10 what the Bible calls a "stranger" of one kind or another within the law, and to understand the law well enough to be able to  
11 describe exactly what kind of "foreigner" you are and why, so that the government must respect your sovereignty and  
12 thereby leave you and your property alone.

13 "The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They  
14 recognized the significance of man's spiritual nature, of his feelings and of his intellect. They knew that only a  
15 part of the pain, pleasure and satisfactions of life are to be found in material things. They sought to protect  
16 Americans in their beliefs, their thoughts, their emotions and their sensations. They conferred, as against the  
17 Government, the right to be let alone - the most comprehensive of rights and the right most valued by  
18 civilized men."  
19 [Olmstead v. United States, 277 U.S. 438, 478 (1928) (Brandeis, J., dissenting); see also Washington v.  
20 Harper, 494 U.S. 210 (1990)]

21 A person who is "sovereign" must be left alone as a matter of law. There are several examples of this important principle  
22 of sovereignty in operation in the Bible as well. For example:

23 Then Haman said to King Ahasuerus, "There is a certain people scattered and dispersed among the people in  
24 all the provinces of your kingdom; their laws are different from all other people's, and they do not keep the  
25 king's laws [are FOREIGN with respect to them and therefore sovereign]. Therefore it is not fitting for the  
26 king to let them remain. If it pleases the king, let a decree be written that they be destroyed, and I will pay ten  
27 thousand talents of silver into the hands of those who do the work, to bring it into the king's treasures."  
28 [Esther 3:8-9, Bible, NKJV]

29 In the Bible, when the Jews were being embarrassed and enslaved by surrounding heathen populations, they responded in  
30 the Book of Nehemiah by building a wall around their city and being self-contained and self-governing to the exclusion of  
31 the "aliens" and "foreigners" around them, who were not believers. This is their way of not only restoring self-government,  
32 but of also restoring God as their King and Sovereign, within what actually amounted to a "theocracy":

33 "The survivors [Christians] who are left from the captivity in the province are there in great distress and  
34 reproach. The wall [of separation between "church", which was the Jews, and "state", which was the  
35 heathens around them] of Jerusalem is also broken down, and its gates are burned with fire."  
36 [Neh. 1:3, Bible, NKJV]

37  

---

38 Then I said to them, "You see the distress that we are in, how Jerusalem lies waste, and its gates are burned  
39 with fire. Come and let us build the wall of [of separation in] Jerusalem that we may no longer be a reproach."  
40 And I told them of the hand of my God which had been good upon me, and also of the king's words that he had  
41 spoken to me. So they said, "Let us rise up and build." Then they set their hands to this good work.

42 But when Sanballat the Horonite, Tobiah the Ammonite official, and Geshem the Arab heard of it, they laughed  
43 at us and despised us, and said, "What is this thing that you are doing? Will you rebel against the king?"

44 So I answered them, and said to them, "The God of heaven Himself will prosper us; therefore we His servants  
45 will arise and build [the wall of separation between church and state]..."  
46 [Neh. 3:17-18, Bible, NKJV]

47 The "wall" of separation between "church", which was the Jews, and "state", which was the surrounding unbelievers and  
48 governments, they were talking about above was not only a physical wall, but also a legal one as well! The Jews wanted to  
49 be "separate", and therefore "sovereign" over themselves, their families, and their government and not be subject to the  
50 surrounding heathens and nonbelievers around them. They selected Heaven as their domicile and God's laws as the basis  
51 for their self-government, which was a theocracy, and therefore became "strangers" on the earth who were hated by their

1 neighbors. The Lord, in wanting us to be sanctified and “separate” as His “bride”, is really insisting that we also be a  
2 “foreigner” or “stranger” with respect to our unbelieving neighbors and the people within the heathen state that has  
3 territorial jurisdiction where we physically live:

4 *"Come out from among them [the unbelievers and [government idolaters](#)]*  
5 *And be separate [“sovereign” and “foreign”], says the Lord.*  
6 ***Do not touch what is unclean [corrupted],***  
7 ***And I will receive you.***  
8 ***I will be a Father to you,***  
9 ***And you shall be my sons and daughters,***  
10 ***Says the Lord Almighty."***  
11 *[\[2 Corinthians 6:17-18, Bible, NKJV\]](#)*

12 When we follow the above admonition of our Lord to become “sanctified” and therefore “separate”, then we will inevitably  
13 be persecuted, just as Jesus warned, when He said:

14 *"If the world hates you, you know that it hated Me before it hated you. If you were of the world, the world*  
15 *would love its own. **Yet because you are not of the world, but I chose you out of the world, therefore the***  
16 ***world hates you. Remember the word that I said to you, 'A servant is not greater than his master.' If they***  
17 ***persecuted Me, they will also persecute you.** If they kept My word, they will keep yours also. **But all these***  
18 ***things they will do to you for My name's sake, because they do not know Him who sent Me. If I had not***  
19 ***come and spoken to them, they would have no sin, but now they have no excuse for their sin.** He who hates*  
20 *me hated My father also. **If I had not done among them the works which no one else did, they would have no***  
21 ***sin; but now they have seen and also hated both Me and My Father.** But this happened that the word might*  
22 *be fulfilled which is written in their law, 'They hated Me without a cause.'"*  
23 *[\[John 15:18-25, Bible\]](#)*

24 The persecution will come precisely and mainly because we are sovereign and therefore refuse to be governed by any  
25 authority except God and His sovereign Law. Now do you understand why Christians, more than perhaps any other faith,  
26 have been persecuted and tortured by governments throughout history? The main reason for their relentless persecution is  
27 that they are a threat to government power because they demand autonomy and self-government and do not yield their  
28 sovereignty to any hostile (“foreign”) power or law other than God and His Holy law. This is the reason, for instance, why  
29 the Roman Emperor Nero burned Christians and their houses when he set fire to Rome and why he made them part of the  
30 barbaric gladiator spectacle: He positively hated anyone whose personal sovereignty would make his authority and power  
31 basically irrelevant and moot and subservient to a sovereign God. He didn’t like being answerable to anyone, and  
32 especially not to an omnipotent and omnipresent God. He viewed God as a competitor for the affections and the worship of  
33 the people. This is the very reason why we have "separation of church and state" today as part of our legal system: to  
34 prevent this kind of tyranny from repeating itself. This same gladiator spectacle is also with us today in a slightly different  
35 form. It's called an "income tax trial" in the federal court called "district court". Below are just a few examples of the  
36 persecution suffered by Jews and Christians throughout history, drawn from the Bible and other sources, mainly because  
37 they attempted to fulfill God’s holy calling to be sanctified, separate, sovereign, a “foreigner”, and a “stranger” with respect  
38 to the laws, taxes, and citizenship of surrounding heathen people and governments:

- 39 1. The last several years of the Apostle John’s life were spent in exile on the Greek island of Patmos, where he was sent  
40 by the Roman government because he was a threat to the power and influence of Roman civil authorities. During his  
41 stay there, he wrote the book of Revelation, which was a cryptic, but direct assault upon government authority.
- 42 2. Every time Israel was judged in the [Book of Judges](#), they came under “tribute” (taxation and therefore slavery) to a  
43 tyrannical king.
- 44 3. Abraham's great struggles for liberty were against overreaching governments, [Genesis 14, 20](#).
- 45 4. Isaac struggled against overreaching governments [Gen 26](#).
- 46 5. Egyptian Pharaohs enslaved God's people, [Ex. 1](#).
- 47 6. Joshua's battle was against 31 kings in Canaan.
- 48 7. Israel struggled against the occupation of foreign governments in the [Book of Judges](#)
- 49 8. David struggled against foreign occupation, [2 Samuel 8, 10](#)
- 50 9. Zechariah lost his life in [2 Chronicles](#) for speaking against a king.
- 51 10. Isaiah was executed by Manasseh.
- 52 11. Daniel was oppressed by Officials who accused him of breaking a Persian statutory law.
- 53 12. Jesus was executed by a foreign power [Jn. 18ff](#).
- 54 13. Jesus was a victim of Israel's kangaroo court, the Sanhedrin.
- 55 14. The last 1/4 of the [Book of Acts](#) is about Paul's defense against fraudulent accusations.
- 56 15. The last 6 years of Paul's life was spent in and out prison defending himself against false accusations.



1 Taxation is the primary means of destroying the sovereignty of a person, family, church, city, state, or nation. Below is the  
2 reason why, from a popular bible dictionary:

3 "TRIBUTE. Tribute in the sense of an impost paid by one state to another, as a mark of subjugation, is a  
4 common feature of international relationships in the biblical world. The tributary could be either a hostile state  
5 or an ally. Like deportation, its purpose was to weaken a hostile state. Deportation aimed at depleting the man-  
6 power. The aim of tribute was probably twofold: to impoverish the subjugated state and at the same time to  
7 increase the conqueror's own revenues and to acquire commodities in short supply in his own country. As an  
8 instrument of administration it was one of the simplest ever devised: the subjugated country could be made  
9 responsible for the payment of a yearly tribute. Its non-arrival would be taken as a sign of rebellion, and an  
10 expedition would then be sent to deal with the recalcitrant. This was probably the reason for the attack  
11 recorded in Gn. 14.  
12 [*New Bible Dictionary. Third Edition.* Wood, D. R. W., Wood, D. R. W., & Marshall, I. H. 1996, c1982, c1962.  
13 InterVarsity Press: Downers Grove]

14 If you want to stay "sovereign", then you had better get used to the following:

- 15 1. Supporting yourself and governing your own families and churches, to the exclusion of any external sovereignty. This  
16 will ensure that you never have to surrender any aspect of your sovereignty to procure needed help.  
17 2. Learning and obeying God's laws.  
18 3. Being an "foreigner", "stranger", or "nonresident alien" in your own land.  
19 4. Being persecuted by the people and governments around you because you insist on being "foreign" and "different"  
20 from the rest of the "sheep" around you.

21 If you aren't prepared to do the above and thereby literally "earn" the right to be free and "sovereign", just as our founding  
22 fathers did, then you are literally wasting your time to read further in this book. Doing so will make you into nothing more  
23 than an informed coward. Earning liberty and sovereignty in this way is the essence of why America is called:

24 *"The land of the free and the home of the brave."*

25 It takes courage to be brave enough to be different from all of your neighbors and all the other countries in the world, and to  
26 take complete and exclusive responsibility for yourself and your loved ones. Below is what happened to the founding  
27 fathers because they took this brave path in the founding of this country. Most did so based on the Christian principles  
28 mentioned above. At the point when they committed to the cause, they renounced their British citizenship and because  
29 "aliens" with respect to the British Government, just like you will have to do by becoming a "national" but not a "citizen"  
30 under federal law:

31 **And, for the support of this Declaration, with a firm reliance on the protection of Divine Providence, we**  
32 **mutually pledge to each other our lives, our fortunes, and our Sacred honor**

33 Have you ever wondered what happened to the fifty-six men who signed the Declaration of Independence? This  
34 is the price they paid:

35 Five signers were captured by the British as traitors, and tortured before they died. Twelve had their homes  
36 ransacked and burned. Two lost their sons in the revolutionary army, another had two sons captured. Nine of  
37 the fifty-six fought and died from wounds or hardships resulting from the Revolutionary War.

38 These men signed, and they pledged their lives, their fortunes, and their sacred honor!

39 What kind of men were they? Twenty five were lawyers or jurists. Eleven were merchants. Nine were farmers or  
40 large plantation owners. One was a teacher, one a musician, one a printer. Two were manufacturers, one was a  
41 minister. These were men of means and education, yet they signed the Declaration of Independence, knowing  
42 full well that the penalty could be death if they were captured.

43 Almost one third were under forty years old, eighteen were in their thirties, and three were in their twenties.  
44 Only seven were over sixty. The youngest, Edward Rutledge of South Carolina, was twenty-six and a half, and  
45 the oldest, Benjamin Franklin, was seventy. Three of the signers lived to be over ninety. Charles Carroll died at  
46 the age of ninety-five. Ten died in their eighties.

47 The first signer to die was John Morton of Pennsylvania. At first his sympathies were with the British, but he  
48 changed his mind and voted for independence. By doing so, his friends, relatives, and neighbors turned against  
49 him. The ostracism hastened his death, and he lived only eight months after the signing. His last words were,  
50 "tell them that they will live to see the hour when they shall acknowledge it to have been the most glorious

1 service that I ever rendered to my country."

2 Carter Braxton of Virginia, a wealthy planter and trader, saw his ships swept from the seas by the British navy.  
3 He sold his home and properties to pay his debts, and died in rags.

4 Thomas McKeam was so hounded by the British that he was forced to move his family almost constantly. He  
5 served in the Congress without pay, and his family was kept in hiding. His possessions were taken from him,  
6 and poverty was his reward.

7 The signers were religious men, all being Protestant except Charles Carroll, who was a Roman Catholic. Over  
8 half expressed their religious faith as being Episcopalian. Others were Congregational, Presbyterian, Quaker,  
9 and Baptist.

10 Vandals or soldiers or both, looted the properties of Ellery, Clymer, Hall, Walton, Gwinnett, Heyward,  
11 Rutledge, and Middleton.

12 Perhaps one of the most inspiring examples of "undaunted resolution" was at the Battle of Yorktown. Thomas  
13 Nelson, Jr. was returning from Philadelphia to become Governor of Virginia and joined General Washington  
14 just outside of Yorktown. He then noted that British General Cornwallis had taken over the Nelson home for his  
15 headquarters, but that the patriot's were directing their artillery fire all over the town except for the vicinity of  
16 his own beautiful home. Nelson asked why they were not firing in that direction, and the soldiers replied, "Out  
17 of respect to you, Sir." Nelson quietly urged General Washington to open fire, and stepping forward to the  
18 nearest cannon, aimed at his own house and fired. The other guns joined in, and the Nelson home was  
19 destroyed. Nelson died bankrupt, at age 51.

20 Caesar Rodney was another signer who paid with his life. He was suffering from facial cancer, but left his  
21 sickbed at midnight and rode all night by horseback through a severe storm and arrived just in time to cast the  
22 deciding vote for his delegation in favor of independence. His doctor told him the only treatment that could help  
23 him was in Europe. He refused to go at this time of his country's crisis and it cost him his life.

24 Francis Lewis's Long Island home was looted and gutted, his home and properties destroyed. His wife was  
25 thrown into a damp dark prison cell for two months without a bed. Health ruined, Mrs. Lewis soon died from  
26 the effects of the confinement. The Lewis's son would later die in British captivity, also.

27 "Honest John" Hart was driven from his wife's bedside as she lay dying, when British and Hessian troops  
28 invaded New Jersey just months after he signed the Declaration. Their thirteen children fled for their lives. His  
29 fields and his grist mill were laid to waste. All winter, and for more than a year, Hart lived in forests and caves,  
30 finally returning home to find his wife dead, his children vanished and his farm destroyed. Rebuilding proved  
31 too be too great a task. A few weeks later, by the spring of 1779, John Hart was dead from exhaustion and a  
32 broken heart.

33 Norris and Livingston suffered similar fates.

34 Richard Stockton, a New Jersey State Supreme Court Justice, had rushed back to his estate near Princeton after  
35 signing the Declaration of Independence to find that his wife and children were living like refugees with friends.  
36 They had been betrayed by a Tory sympathizer who also revealed Stockton's own whereabouts. British troops  
37 pulled him from his bed one night, beat him and threw him in jail where he almost starved to death. When he  
38 was finally released, he went home to find his estate had been looted, his possessions burned, and his horses  
39 stolen. Judge Stockton had been so badly treated in prison that his health was ruined and he died before the  
40 war's end, a broken man. His surviving family had to live the remainder of their lives off charity.

41 William Ellery of Rhode Island, who marveled that he had seen only "undaunted resolution" in the faces of his  
42 co-signers, also had his home burned.

43 When we are following the Lord's calling to be sovereign, separate, "foreign", and a "stranger" with respect to a corrupted  
44 state and our heathen neighbors, below is how we can describe ourselves from a legal perspective:

- 45 1. We are fiduciaries of God, who is a "[nontaxpayer](#)", and therefore we are "nontaxpayers". Our legal status takes on the  
46 character of the sovereign who we represent. Therefore, we become "[foreign diplomats](#)".

47 "[For God is the King of all the earth](#); Sing praises with understanding."  
48 [[Psalms 47:7](#), Bible, NKJV]

49  
50 "[For the LORD is our Judge, the LORD is our Lawgiver, the LORD is our King; He will save \[and protect\] us.](#)"  
51 [[Isaiah 33:22](#), Bible, NKJV]

2. The laws which apply to all civil litigation relating to us are from the domicile of the Heavenly sovereign we represent, which are the Holy Bible pursuant to:

2.1. God's Laws found in our memorandum of law below:

[Laws of the Bible, Form #13.001](#)

<http://sedm.org/Forms/FormIndex.htm>

2.2. [Federal Rule of Civil Procedure 17\(b\)](#)

2.3. [Federal Rule of Civil Procedure 44.1](#)

3. Our "[domicile](#)" is the Kingdom of God on Earth, and not within the jurisdiction of any man-made government. We can have a domicile on earth and yet not be in the jurisdiction of any government because the Bible says that God, and not man, owns the WHOLE earth and all of Creation. We are therefore "transient foreigners" and "stateless persons" in respect to every man-made government on earth. See the following for details:

[Why Domicile and Becoming a "Taxpayer" Require Your Consent](#), Form #05.002

<http://sedm.org/Forms/FormIndex.htm>

*"Transient foreigner. One who visits the country, without the intention of remaining."*

[Black's Law Dictionary, Sixth Edition, p. 1498]

4. We are "[Nonresident aliens](#)" and "[nationals](#)" but not "[citizens](#)" under federal law. The reason this must be so is that a "[citizens of the United States](#)" (who are all born in and resident within exclusive federal jurisdiction under [8 U.S.C. §1401](#)) may not be classified as an instrumentality of a foreign state under [28 U.S.C. §1332\(c\)](#) and (d) and [28 U.S.C. §1603\(b\)](#). See our article entitled "[Why you are a 'national', 'state national', and Constitutional but not Statutory Citizen](#)" for further details and evidence.

5. We are not and cannot be "[residents](#)" of any earthly jurisdiction without having a conflict of interest and violating the first four Commandments of the [Ten Commandments](#) found in [Exodus 20](#). Heaven is our exclusive legal "[domicile](#)", and our "permanent place of abode", and the source of [ALL](#) of our permanent protection and security. We cannot and should not rely upon man's vain earthly laws as an idolatrous substitute for Gods sovereign laws found in the Bible. Instead, only God's laws and the Common law, which is derived from God's law, are suitable protection for our God-given rights.

*"For I was ashamed to request of the king an escort of soldiers and horsemen to help us against the enemy on the road, because we had spoken to the king, saying 'The hand of our God is upon all those for good who seek Him, but His power and His wrath are against all those who forsake Him.' So we fasted and entreated our God for this, and He answered our prayer."*

[[Ezra 8:21-22](#), Bible, NKJV]

6. We are "Foreign Ambassadors" and "Ministers of a [Foreign State](#)" called Heaven. We are exempt from taxation by any other foreign government, including the U.S. government, pursuant to [26 U.S.C. §892\(a\)\(1\)](#) who are obligated to stop withholding using IRS Form W-8EXP, which specifically exempts foreign government officials from taxation. The U.S. Supreme Court said in *U.S. v. Wong Kim Ark* below that "ministers of a foreign state" may not be statutory "citizens of the United States" under the [Fourteenth Amendment](#) to the United States Constitution. Furthermore, the Fourteenth Amendment was intended exclusively for freed slaves and not sovereign Americans such as us.

*"**For our citizenship is in heaven [and not earth]**, from which we also eagerly wait for the Savior, the Lord Jesus Christ"*

[[Philippians 3:20](#), Bible, NKJV]

*"And Mr. Justice Miller, delivering the opinion of the court [legislating from the bench, in this case], in analyzing the first clause [of the [Fourteenth Amendment](#)], observed that "**the phrase 'subject to the jurisdiction thereof' was intended to exclude from its operation children of ministers, consuls, and citizens or subjects of foreign states, born within the United States.**"*

[*U.S. v. Wong Kim Ark*, [169 U.S. 649](#), 18 S.Ct. 456; 42 L.Ed. 890 (1898) ]

7. Our dwelling, which is a "temporary and not permanent place of abode", is a "Foreign Embassy". Notice we didn't say "residence", because only "[residents](#)" (aliens) can have a "residence" under 26 CFR §1.871-2(b).

8. We are protected from federal government persecution by [18 U.S.C. §112](#) and the [Foreign Sovereign Immunities Act of 1976](#).

9. We are a "[stateless person](#)" within the meaning of [28 U.S.C. §1332\(a\)](#) immune from the jurisdiction of the [federal courts, which are all Article IV, legislative, territorial courts](#). We are "stateless" because we do not maintain a domicile within the "state" defined in [28 U.S.C. §1332\(d\)](#) , which is a federal territory and excludes states of the Union.



10. We are not allowed under God's law to conduct "[commerce](#)" or "intercourse" with "the Beast" by sending to it our money or receiving benefits we did not earn. Black's law dictionary defines "[commerce](#)" as "intercourse". The Bible defines "the Beast" as the "kings of the earth"/political rulers in Rev. 19:19:

*"Commerce. ...Intercourse by way of trade and traffic between different peoples or states and the citizens or inhabitants thereof, including not only the purchase, sale, and exchange of commodities, but also the instrumentalities [governments] and agencies by which it is promoted and the means and appliances by which it is carried on..."*

*[Black's Law Dictionary, Sixth Edition, p. 269]*

**"Come, I will show you the judgment of the great harlot [the atheist totalitarian democracy] who sits on many waters [which are described as seas and multitudes of people in Rev. 17:15], with whom the kings of the earth [political rulers of today] committed fornication [intercourse], and the inhabitants of the earth were made drunk with the wine of her fornication [intercourse, usurious and harmful commerce]."**

*So he carried me away in the Spirit into the wilderness. And I saw a woman sitting on a scarlet beast which was full of names of blasphemy, having seven heads and ten horns. The woman was arrayed in purple and scarlet, and adorned with gold and precious stones and pearls, having in her hand a golden cup full of abominations and the filthiness of her fornication [intercourse]. And on her forehead a name was written: MYSTERY, BABYLON THE GREAT, THE MOTHER OF HARLOTS AND OF THE ABOMINATIONS OF THE EARTH.*

*I saw the woman, drunk with the blood of the saints and with the blood of the martyrs of Jesus. And when I saw her, I marveled with great amazement."*

*[Rev. 17:1-6, Bible, NKJV]*

**"And I saw the beast, the kings [heathen political rulers and the unbelieving democratic majorities who control them] of the earth [controlled by Satan], and their armies, gathered together to make war against Him [God] who sat on the horse and against His army."**

*[Revelation 19:19, Bible, NKJV]*

The Bible calls this kind of commerce "fornication" and "adultery" and describes the fornicator called "Babylon the Great Harlot" basically as a democracy instead of a Republic in [Revelation chapters 17 to 19](#). This is consistent with the Foreign Sovereign Immunities Act found in [28 U.S.C. §1605\(a\)\(2\)](#), which says that those who conduct "commerce" with the "United States" federal corporation within its legislative jurisdiction thereby surrender their sovereignty. Participation in our corrupted tax system also fits the classification of "commerce" within the meaning of this requirement. See the link below for details:

[http://travel.state.gov/law/info/judicial/judicial\\_693.html](http://travel.state.gov/law/info/judicial/judicial_693.html)

## 11 You're not the "individual" mentioned on the IRS Form 1040

Another interesting fact to consider when one fills out an IRS form [W-8](#) or [W-8BEN](#) identifying applicant as a "nonresident alien" is that the entire Internal Revenue Code *does not* define the term "individual" to mean "human being"! The closest it comes is in 26 U.S.C. §7701(a)(1), where it defines "person" to include "**an** individual" but not a *human being*. Note the phrase "**an** individual" instead of "**all** individuals". They are talking about a specific type of "individual" and not human beings or even all natural persons generally. The U.S. Supreme Court confirmed that this "individual" must be domiciled or resident on federal territory where the federal government has general jurisdiction. The government can't legislate for people or extraterritorially who are not its own statutory "citizens" pursuant to 8 U.S.C. §1401 or "permanent residents" and therefore "persons" without at least a contract proving consent of the "person":

**"The foregoing considerations would lead, in case of doubt, to a construction of any statute as intended to be confined in its operation and effect to the territorial limits over which the lawmaker has general and legitimate power. 'All legislation is prima facie territorial.' Ex parte Blain, L. R. 12 Ch. Div. 522, 528; State v. Carter, 27 N. J. L. 499; People v. Merrill, 2 Park. Crim. Rep. 590, 596. Words having universal scope, such as 'every contract in restraint of trade,' 'every person who shall monopolize,' etc., will be taken, as a matter of course, to mean only everyone subject to such legislation, not all that the legislator subsequently may be able to catch [E.G. DECEIVE]. In the case of the present statute, the improbability of the United States attempting to make acts done in Panama or Costa Rica criminal is obvious, yet the law begins by making criminal the acts for which it gives a right to sue. We think it entirely plain that what the defendant did in Panama or Costa Rica is not within the scope of the statute so far as the present suit is concerned. Other objections of a serious nature are urged, but need not be discussed."**

*[American Banana Co. v. U.S. Fruit, 213 U.S. 347 at 357-358]*

These conclusions are confirmed by the content of section 3.12.1.10 of the *Great IRS Hoax*, Form #11.302. [26 U.S.C. §6331](#)(a) confirms that the *specific* natural person who is the only type of “individual” in the Internal Revenue Code is an “employee”, instrumentality, agent or officer of the federal government holding a “public office”, in fact, because this is the *only* natural person against whom distraint (force) is authorized.

26 U.S.C., Subchapter D - Seizure of Property for Collection of Taxes  
[Sec. 6331](#). Levy and distraint

(a) Authority of Secretary

If any person liable to pay any tax neglects or refuses to pay the same within 10 days after notice and demand, it shall be lawful for the Secretary to collect such tax (and such further sum as shall be sufficient to cover the expenses of the levy) by levy upon all property and rights to property (except such property as is exempt under section 6334) belonging to such person or on which there is a lien provided in this chapter for the payment of such tax. Levy may be made upon the accrued salary or wages of any officer, employee, or elected official, of the United States, the District of Columbia, or any agency or instrumentality of the United States or the District of Columbia, by serving a notice of levy on the employer (as defined in section 3401(d)) of such officer, employee, or elected official. If the Secretary makes a finding that the collection of such tax is in jeopardy, notice and demand for immediate payment of such tax may be made by the Secretary and, upon failure or refusal to pay such tax, collection thereof by levy shall be lawful without regard to the 10-day period provided in this section.

The word “individual” is also then never defined anywhere in the Internal Revenue Code, so we have to use the legal definition. If we look up the definition of “individual” in Black’s Law Dictionary, we find the following:

**“Individual.** As a noun, this term denotes a single person as distinguished from a group or class, and also, very commonly, a private or natural person as distinguished from a partnership, corporation, or association; but it is said that this restrictive signification is not necessarily inherent in the word, and that it may, in proper cases, include artificial persons.”  
[Black’s Law Dictionary, Sixth Edition, p. 773]

So naming “an individual” in [26 U.S.C. §7701](#)(a)(1) as a “person” upon whom a tax is “imposed” in [26 U.S.C. §1](#) still doesn’t imply *human beings* like you and me. As a matter of fact, according to the above definition from the legal dictionary, “individual” most commonly refers to *artificial* persons, which in this case are corporations and partnerships involved in “public office” or foreign commerce, within most federal law. The only thing Congress has done by using the word “individual” in the definition of “person” is create a circular definition. Such a circular definition is also called a “tautology”: a word which is defined using itself, which we would argue doesn’t define anything! If Congress wants to include human beings or men and women as those liable for the income tax, then they must *explicitly say so* or the Internal Revenue Code is void for vagueness. At least the California Revenue and Taxation Code defines it correctly:

California Revenue and Taxation Code

17005. “Individual” means a natural person  
[California Revenue and Taxation Code, Section 17005].

The only place we could find a statutory definition of “individual” that is relevant to the Internal Revenue Code, Subtitle A is in the Privacy Act, which provides the following definition. Note that the term appears in Title 5 of the U.S. Code, which is entitled “Government Organization and Employees”, thus confirming that the only “individual” they can be referring to is a government employee or public officer :

[TITLE 5 - GOVERNMENT ORGANIZATION AND EMPLOYEES](#)  
[PART I - THE AGENCIES GENERALLY](#)  
[CHAPTER 5 - ADMINISTRATIVE PROCEDURE](#)  
[SUBCHAPTER II - ADMINISTRATIVE PROCEDURE](#)  
[§ 552a. Records maintained on individuals](#)

(a) Definitions.— For purposes of this section—

(2) the term “individual” means a citizen of the United States or an alien lawfully admitted for permanent residence;

Since we can’t find the definition of “individual” in the Internal Revenue Code, we concluded that it must be buried somewhere in the regulations in order to hide the truth. After searching all 17,000 pages of the regulations (26 CFR)

electronically, we found that definition and it confirmed our suspicions. Below is the only definition of “individual” we could find anywhere in the Internal Revenue Code (26 U.S.C.) or the Treasury Regulations (26 IRS FORM), which also appeared in section 5.5.1 of the Great IRS Hoax, Form #11.302:

[26 CFR 1.1441-1 Requirement for the deduction and withholding of tax on payments to foreign persons.](#)

(c ) Definitions

(3) Individual.

(i) Alien individual.

|   |
|---|
| <p><b>The term alien individual means an individual who is not a citizen or a national of the United States. See Sec. 1.1-1(c).</b></p> |
|---|

(ii) Nonresident alien individual.

*The term nonresident alien individual means a person described in section 7701(b)(1)(B), an alien individual who is a resident of a foreign country under the residence article of an income tax treaty and Sec. 301.7701(b)-7(a)(1) of this chapter, or an alien individual who is a resident of Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as determined under Sec. 301.7701(b)-1(d) of this chapter. An alien individual who has made an election under section 6013 (g) or (h) to be treated as a resident of the United States is nevertheless treated as a nonresident alien individual for purposes of withholding under chapter 3 of the Code and the regulations thereunder.*

Did you notice that the definition of “individual” did not include statutory “U.S. citizens”? Did you also notice that the definitions were not qualified to only apply to a specific chapter or section? That means that they apply generally throughout the Internal Revenue Code and implementing regulations. Therefore, we must conclude that the REAL “individual” in the phrase “U. S. **Individual** Income Tax Return” (IRS Form 1040) that Congress and the IRS are referring to can only mean “nonresident aliens” and “aliens”. That is why they don’t just come out and say “U.S. Citizen Tax Return” on the 1040 form.

So there you have it: if you were born in one of the 50 Union states outside of the federal zone and therefore are a “national of the United States of America” and not a “national of the United States”, then you aren’t a statutory “U.S. citizen” defined in [8 U.S.C. §1401](#) or a “resident alien” defined [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) . The only other thing you can be at that point is a “nonresident alien” and still be the “individual” mentioned in [26 U.S.C. §7701\(a\)\(1\)](#) who is the subject of the income tax in Subtitle A. If the Internal Revenue Code was written unambiguously, then it would define “Individual” to mean only corporations or partnerships involved in foreign commerce, which is why they chose to define it ambiguously in the first place—to hide the truth! For everyone else who aren’t corporations or trusts and estates owned by corporations who have “income” as defined in 26 U.S.C. §643(b), the money they pay to the IRS is a donation and not a tax. Are you blown away yet? Are you MAD yet?

Investigating this matter of the definition of “person” further, we find that there is a dead pointer in [4 U.S.C. §110\(a\)](#) which points to a repealed [26 U.S.C. §3797](#) definition of the term “person”. You can’t know whether you , as a “human being” fit the description of “person” found in the tax code unless and until it is clearly and unambiguously defined to mean “human being”, which it is not anywhere in subtitles A and C. The closest realistic thing we have to a definition of the term “person” is in [26 CFR § 301.6671-1\(b\)](#), which defines who penalties may be levied against under Subtitle F of the Internal Revenue Code:

*[Code of Federal Regulations]  
[Title 26, Volume 17, Parts 300 to 499]  
[Revised as of April 1, 2000]  
From the U.S. Government Printing Office via GPO Access  
[CITE: 26CFR301.6671-1]  
[Page 402]  
TITLE 26--INTERNAL REVENUE  
Additions to the Tax and Additional Amounts--Table of Contents  
[Sec. 301.6671-1 Rules for application of assessable penalties.](#)  
...  
(b) Person defined.*

*For purposes of subchapter B of chapter 68, the term “person” includes an*



officer or employee of a corporation, or a member or employee of a partnership, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

The reason the government won't define the term "person" is because the U.S. Supreme Court in [Eisner v. Macomber](#), 252 U.S. 189 (1920) ruled the following, which defines clearly that the true meaning of "person" in the tax code is "corporation":

"The Sixteenth Amendment declares that Congress shall have power to levy and collect taxes on income, "from [271 U.S. 174] whatever source derived," without apportionment among the several states and without regard to any census or enumeration. It was not the purpose or effect of that amendment to bring any new subject within the taxing power. Congress already had power to tax all incomes. But taxes on incomes from some sources had been held to be "direct taxes" within the meaning of the constitutional requirement as to apportionment. Art. 1, § 2, cl. 3, § 9, cl. 4; *Pollock v. Farmers' Loan & Trust Co.*, 158 U.S. 601. The Amendment relieved from that requirement, and obliterated the distinction in that respect between taxes on income that are direct taxes and those that are not, and so put on the same basis all incomes "from whatever source derived." *Brushaber v. Union P. R. Co.*, 240 U.S. 1, 17. **"Income" has been taken to mean the same thing as used in the Corporation Excise Tax Act of 1909, in the Sixteenth Amendment, and in the various revenue acts subsequently passed. *Southern Pacific Co. v. Lowe*, 247 U.S. 330, 335; *Merchants' L. & T. Co. v. Smietanka*, 255 U.S. 509, 219. After full consideration, this Court declared that income may be defined as gain derived from capital, from labor, or from both combined, including profit gained through sale or conversion of capital. *Stratton's Independence v. Howbert*, 231 U.S. 399, 415; *Doyle v. Mitchell Brothers Co.*, 247 U.S. 179, 185; *Eisner v. Macomber*, 252 U.S. 189, 207. And that definition has been adhered to and applied repeatedly. See, e.g., *Merchants' L. & T. Co. v. Smietanka*, supra; 518; *Goodrich v. Edwards*, 255 U.S. 527, 535; *United States v. Phellis*, 257 U.S. 156, 169; *Miles v. Safe Deposit Co.*, 259 U.S. 247, 252-253; *United States v. Supplee-Biddle Co.*, 265 U.S. 189, 194; *Irwin v. Gavit*, 268 U.S. 161, 167; *Edwards v. Cuba Railroad*, 268 U.S. 628, 633. In determining what constitutes income, substance rather than form is to be given controlling weight. *Eisner v. Macomber*, supra, 206. [271 U.S. 175]]**  
[*Bowers v. Kerbaugh-Empire Co.*, 271 U.S. 170, 174, (1926)]

"As repeatedly pointed out by this court, the Corporation Tax Law of 1909. **imposed an excise or privilege tax, and not in any sense, a tax upon property or upon income merely as income.** It was enacted in view of the decision of *Pollock v. Farmer's Loan & T. Co.*, 157 U.S. 429, 29 L. Ed. 759, 15 Sup. St. Rep. 673, 158 U.S. 601, 39 L. Ed. 1108, 15 Sup. Ct. Rep. 912, which held the income tax provisions of a previous law to be unconstitutional because amounting in effect to a direct tax upon property within the meaning of the Constitution, and because not apportioned in the manner required by that instrument."  
[*U.S. v. Whiteridge*, 231 U.S. 144, 34 S. Sup. Ct. 24 (1913)]

Among the cases referred to above was [Doyle v. Mitchell Brothers Co.](#), 247 U.S. 179, 185, 38 S.Ct. 467 (1918), which further helps us define the term "income" and who the "person" is that is liable for tax on that income.

"...Whatever difficulty there may be about a **precise scientific definition of 'income,'** it imports, as used here, something entirely distinct from principal or capital either as a subject of taxation or as a measure of the tax;

**conveying rather the idea of gain or increase arising from corporate activities."**

[*Doyle v. Mitchell Brothers Co.*, 247 U.S. 179, 185, 38 S.Ct. 467 (1918), emphasis added]

And to put the nail in the coffin, here is the final case cited in *Eisner*, that of [Stratton's Independence v. Howbert](#), 231 U.S. 399, 414, 58 L.Ed. 285, 34 Sup.Ct. 136 (1913):

"This court had decided in the *Pollock* Case that the income tax law of 1894 amounted in effect to a direct tax upon property, and was invalid because not apportioned according to populations, as prescribed by the Constitution. The act of 1909 avoided this difficulty by imposing not an income tax, but an **excise tax upon the conduct of business in a corporate capacity**, measuring, however, the amount of tax by the income of the corporation...[*Flint v. Stone Tracy Co.*, 220 U.S. 107, 55 L.Ed. 389, 31 Sup.Ct.Rep. 342, Ann. Cas."]  
[[Stratton's Independence v. Howbert](#), 231 U.S. 399, 414, 58 L.Ed. 285, 34 Sup.Ct. 136 (1913)]

The only statutory definition of the term "income" by itself appearing anywhere within the I.R.C. is the earnings of a trust or estate found in 26 U.S.C. §643(b). That trust or estate must therefore be a wholly owned subsidiary of a federal

1 corporation or it cannot be engaged in the “trade or business” franchise.

2 [TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter J > PART I > Subpart A > § 643](#)  
3 [§ 643. Definitions applicable to subparts A, B, C, and D](#)

4 (b) *Income*

5 For purposes of this subpart and subparts B, C, and D, the term “income”, when not preceded by the words  
6 “taxable”, “distributable net”, “undistributed net”, or “gross”, means the amount of income of the estate or  
7 trust for the taxable year determined under the terms of the governing instrument and applicable local law.  
8 *Items of gross income constituting extraordinary dividends or taxable stock dividends which the fiduciary,*  
9 *acting in good faith, determines to be allocable to corpus under the terms of the governing instrument and*  
10 *applicable local law shall not be considered income.*

11 So the real “person” to which Subtitle A of the Internal Revenue Code applies is a “corporation”, and corporations can be  
12 “citizens” and “residents” just as readily as human beings or natural persons.

13 “A corporation is a citizen, *resident*, or inhabitant of the state or country by or under the laws of which it was  
14 created, and of that state or country only.”  
15 [19 Corpus Juris Secundum, Corporations, §886]

16 When the Supreme Court says above that “income” means corporate profit, it means corporate profit from corporations  
17 involved in foreign commerce or “public office” that comes under federal jurisdiction. The first Bank of the United States  
18 mentioned in *M’Culloch v. State*, 17 U.S. 316 (U.S.,1819), for instance, was one of the first federal corporations that  
19 operated outside of federal territory. Intrastate or interstate commerce of state-chartered corporations are exempt of the  
20 prohibition against taxes on exports from any state found in Article 1, Section 9, Clause 5 of the U.S. Constitution. To tax a  
21 government privilege requires receipt of the privilege, and state corporations do not receive privileges, including the  
22 privilege of existing, from the federal government. Furthermore, even though the income tax is an indirect excise tax on  
23 privileges, it becomes a direct tax if it is levied upon human being, even if these people are in receipt of privileges! A tax  
24 cannot be indirect unless it is levied on businesses and other artificial entities other than human beings. Such artificial  
25 entities, according to the U.S. Supreme Court, can only be corporations involved in foreign commerce.

26 Lets conclude this section to summarize all the criteria one must meet before they can be an “individual”:

- 27 1. Must declare themselves to be an “individual” on a government form. For instance:  
28 1.1. Filing IRS Form 1040 makes them an “individual”, because the upper left corner of the form says “individual”.  
29 1.2. Applying for an “Individual Taxpayer Identification Number” (ITIN) pursuant to 26 U.S.C. §6109 and 26 CFR  
30 §301.6109-1(d)(3) makes them “individual”.  
31 1.3. Filing IRS Form W-8BEN and checking the term “individual” in block 3 on the form.  
32 If you don’t want to be treated as an “individual”, then simply DON’T do any of the above! The most important of the  
33 above is applying for a Taxpayer Identification Number. We avoid the above by submitting a SUBSTITUTE W-8BEN  
34 and identifying ourselves as a “Union state citizen” and not an “individual”, and not using a Taxpayer Identification  
35 Number. See:

[About IRS Form W-8BEN, Form #04.202](#)  
<http://sedm.org/Forms/FormIndex.htm>

- 36 2. Must be the “individual” described in 26 CFR §1.1441-1(c )(3), which means an alien or nonresident alien and not a  
37 statutory “citizen” such as that defined in 8 U.S.C. §1401.  
38 3. Must be physically present on federal territory, even though not domiciled or resident there. All federal legislative is  
39 prima facie territorial. [American Banana Co. v. U.S. Fruit, 213 U.S. 347](#) at 357-358.  
40 4. Must be engaged in privileged, excise taxable corporate activity as a federal and not state corporation. That activity in  
41 the context of the Internal Revenue Code, Subtitle A is called a “trade or business”, and the “public office” that is  
42 found within the definition of “trade or business” at 26 U.S.C. §7701(a)(26) is a public office in a federal corporation  
43 called the “United States” and which is described in 28 U.S.C. §3002(15)(A).

## 44 **12 Federalism**

45 Federalism is the mechanism by which the sovereignty of the States and the People are preserved out of respect for the  
46 requirements of the Tenth Amendment to the United States Constitution, which states:

United States Constitution  
Tenth Amendment

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

Federalism is advanced primarily but not exclusively through the following means:

1. Requirement for comity when acting extra-territorially. Whenever the federal government wishes to exercise extraterritorial jurisdiction within a state of the Union, which is a foreign state for the purposes of federal legislative jurisdiction, it must respect the requirement for "comity", which means that it must pursue the consent of the parties to the action.

"Every State or nation possesses an exclusive sovereignty and jurisdiction within her own territory, and her laws affect and bind all property and persons residing within it. It may regulate the manner and circumstances under which property is held, and the condition, capacity, and state of all persons therein, and also the remedy and modes of administering justice. And it is equally true that no State or nation can affect or bind property out of its territory, or persons not residing [domiciled] within it. No State therefore can enact laws to operate beyond its own dominions, and if it attempts to do so, it may be lawfully refused obedience. Such laws can have no inherent authority extraterritorially. This is the necessary result of the independence of distinct and separate sovereignties."

"Now it follows from these principles that whatever force or effect the laws of one State or nation may have in the territories of another must depend solely upon the laws and municipal regulations of the latter, upon its own jurisprudence and polity, and upon its own express or tacit consent."  
[Dred Scott v. John F.A. Sanford, 60 U.S. 393 (1856)]

"Judge Story, in his treatise on the Conflicts of Laws, lays down, as the basis upon which all reasonings on the law of comity must necessarily rest, the following maxims: First 'that every nation possesses an exclusive sovereignty and jurisdiction within its own territory'; secondly, 'that no state or nation can by its laws directly affect or bind property out of its own territory, or bind persons not resident therein, whether they are natural born subjects or others.' The learned judge then adds: 'From these two maxims or propositions there follows a third, and that is that whatever force and obligation the laws of one country have in another depend solely upon the laws and municipal regulation of the latter; that is to say, upon its own proper jurisdiction and polity, and upon its own express or tacit consent.'" Story on Conflict of Laws §23."

[Baltimore & Ohio Railroad Co. v. Chambers, 73 Ohio St. 16, 76 N.E. 91, 11 L.R.A., N.S., 1012 (1905)]

2. The separation of powers between the states and the federal government in order to preserve a "diffusion of sovereign power". This means that a state may not delegate any of its powers conferred by the Constitution to the Federal Government, and likewise, that the federal government may not delegate any of its powers to any state of the Union:

"To the contrary, the Constitution divides authority between federal and state governments for the protection of individuals. State sovereignty is not just an end in itself: "Rather, federalism secures to citizens the liberties that derive from the diffusion of sovereign power." Coleman v. Thompson, 501 U.S. 722, 759 (1991) (BLACKMUN, J., dissenting). "Just as the separation and independence of the coordinate branches of the Federal Government serve to prevent the accumulation of excessive power in any one branch, a healthy balance of power between the States and the Federal Government will reduce the risk of tyranny and abuse from either front." Gregory v. [505 U.S. 144, 182] Ashcroft, 501 U.S., at 458. See The Federalist No. 51, p. 323. (C. Rossiter ed. 1961).

Where Congress exceeds its authority relative to the States, therefore, the departure from the constitutional plan cannot be ratified by the "consent" of state officials. An analogy to the separation of powers among the branches of the Federal Government clarifies this point. The Constitution's division of power among the three branches is violated where one branch invades the territory of another, whether or not the encroached-upon branch approves the encroachment. In Buckley v. Valeo, 424 U.S. 1, 118 -137 (1976), for instance, the Court held that Congress had infringed the President's appointment power, despite the fact that the President himself had manifested his consent to the statute that caused the infringement by signing it into law. See National League of Cities v. Usery, 426 U.S., at 842, n. 12. In INS v. Chadha, 462 U.S. 919, 944 -959 (1983), we held that the legislative veto violated the constitutional requirement that legislation be presented to the President, despite Presidents' approval of hundreds of statutes containing a legislative veto provision. See id., at 944-945. The constitutional authority of Congress cannot be expanded by the "consent" of the governmental unit whose domain is thereby narrowed, whether that unit is the Executive Branch or the States.

State officials thus cannot consent to the enlargement of the powers of Congress beyond those enumerated in the Constitution. Indeed, the facts of this case raise the possibility that powerful incentives might lead both federal and state officials to view departures from the federal structure to be in their personal interests. Most



citizens recognize the need for radioactive waste disposal sites, but few want sites near their homes. As a result, while it would be well within the authority of either federal or state officials to choose where the disposal sites will be, it is likely to be in the political interest of each individual official to avoid being held accountable to the voters for the choice of location. If [505 U.S. 144, 183] a federal official is faced with the alternatives of choosing a location or directing the States to do it, the official may well prefer the latter, as a means of shifting responsibility for the eventual decision. If a state official is faced with the same set of alternatives - choosing a location or having Congress direct the choice of a location - the state official may also prefer the latter, as it may permit the avoidance of personal responsibility. The interests of public officials thus may not coincide with the Constitution's intergovernmental allocation of authority. Where state officials purport to submit to the direction of Congress in this manner, federalism is hardly being advanced. "

[New York v. United States, [505 U.S. 144](#) (1992)]

3. Parties domiciled in states of the Union may not consent to the jurisdiction of the federal courts where no subject matter jurisdiction exists within the Constitution, because it would unlawfully enlarge the jurisdiction of the federal government beyond the clear boundaries enumerated in the Constitution of the United States.

Pacemaker argues that in the federal system a party may not consent to jurisdiction, so that the parties cannot waive their rights under Article III. The maxim that parties may not consent to the jurisdiction of federal courts is not applicable here. The rule is irrelevant because it applies only where the parties attempt to confer upon an Article III court a subject matter jurisdiction that Congress or the Constitution forbid. See, e.g., Jackson v. Ashton, 33 U.S. (8 Peters), 148, 148-49, 8 L. Ed. 898 (1834); Mansfield, Coldwater & Lake Michigan Railway Co. v. Swan, 111 U.S. 379, 28 L. Ed. 462, 4 S. Ct. 510 (1884). The limited jurisdiction of the federal courts and the need to respect the boundaries of federalism underlie the rule. In the instant case, however, the subject matter, patents, is exclusively one of federal law. The Supreme Court has explicitly held that Congress may "confer upon federal courts jurisdiction conditioned upon a defendant's consent." Williams v. Austrian, 331 U.S. 642, 652, 91 L. Ed. 1718, 67 S. Ct. 1443 (1947); see Harris v. Avery Brundage Co., 305 U.S. 160, 83 L. Ed. 100, 59 S. Ct. 131 (1938). The litigant waiver in this case is similar to waiver of a defect in jurisdiction over the person, a waiver federal courts permit. Hoffman v. Blaski, 363 U.S. 335, 343, 4 L. Ed. 2d 1254, 80 S. Ct. 1084 (1960).

[Pacemaker Diagnostic Clinic of America Inc. v. Instrumedix Inc., 725 F.2d 537 (9th Cir. 02/16/1984)]

The best descriptions of federalism are found in presidential executive orders. Below is an example:

Executive Order 12612--Federalism

Source: The provisions of Executive Order 12612 of Oct. 26, 1987, appear at 52 FR 41685, 3 CFR, 1987 Comp., p. 252, unless otherwise noted.

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to restore the division of governmental responsibilities between the national government and the States that was intended by the Framers of the Constitution and to ensure that the principles of federalism established by the Framers guide the Executive departments and agencies in the formulation and implementation of policies, it is hereby ordered as follows:

Section 1. Definitions. For purposes of this Order:

- (a) "Policies that have federalism implications" refers to regulations, legislative comments or proposed legislation, and other policy statements or actions that have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.
- (b) "State" or "States" refer to the States of the United States of America, individually or collectively, and, where relevant, to State governments, including units of local government and other political subdivisions established by the States.

Sec. 2. Fundamental Federalism Principles. In formulating and implementing policies that have federalism implications, Executive departments and agencies shall be guided by the following fundamental federalism principles:

- (a) Federalism is rooted in the knowledge that our political liberties are best assured by limiting the size and scope of the national government.
- (b) The people of the States created the national government when they delegated to it those enumerated governmental powers relating to matters beyond the competence of the individual States. All other sovereign powers, save those expressly prohibited the States by the Constitution, are reserved to the States or to the people.
- (c) The constitutional relationship among sovereign governments, State and national, is formalized in and protected by the Tenth Amendment to the Constitution.
- (d) The people of the States are free, subject only to restrictions in the Constitution itself or in constitutionally authorized Acts of Congress, to define the moral, political, and legal character of their lives.
- (e) In most areas of governmental concern, the States uniquely possess the constitutional authority, the resources, and the competence to discern the sentiments of the people and to govern accordingly. In Thomas

- Jefferson's words, the States are "the most competent administrations for our domestic concerns and the surest bulwarks against antirepublican tendencies."
- (f) The nature of our constitutional system encourages a healthy diversity in the public policies adopted by the people of the several States according to their own conditions, needs, and desires. In the search for enlightened public policy, individual States and communities are free to experiment with a variety of approaches to public issues.
  - (g) Acts of the national government--whether legislative, executive, or judicial in nature--that exceed the enumerated powers of that government under the Constitution violate the principle of federalism established by the Framers.
  - (h) Policies of the national government should recognize the responsibility of--and should encourage opportunities for--individuals, families, neighborhoods, local governments, and private associations to achieve their personal, social, and economic objectives through cooperative effort.
  - (i) In the absence of clear constitutional or statutory authority, the presumption of sovereignty should rest with the individual States. Uncertainties regarding the legitimate authority of the national government should be resolved against regulation at the national level.

Sec. 3. *Federalism Policymaking Criteria.* In addition to the fundamental federalism principles set forth in section 2, Executive departments and agencies shall adhere, to the extent permitted by law, to the following criteria when formulating and implementing policies that have federalism implications:

- (a) There should be strict adherence to constitutional principles. Executive departments and agencies should closely examine the constitutional and statutory authority supporting any Federal action that would limit the policymaking discretion of the States, and should carefully assess the necessity for such action. To the extent practicable, the States should be consulted before any such action is implemented. Executive Order No. 12372 ("Intergovernmental Review of Federal Programs") remains in effect for the programs and activities to which it is applicable.
- (b) Federal action limiting the policymaking discretion of the States should be taken only where constitutional authority for the action is clear and certain and the national activity is necessitated by the presence of a problem of national scope. For the purposes of this Order:
  - (1) It is important to recognize the distinction between problems of national scope (which may justify Federal action) and problems that are merely common to the States (which will not justify Federal action because individual States, acting individually or together, can effectively deal with them).
  - (2) Constitutional authority for Federal action is clear and certain only when authority for the action may be found in a specific provision of the Constitution, there is no provision in the Constitution prohibiting Federal action, and the action does not encroach upon authority reserved to the States.
- (c) With respect to national policies administered by the States, the national government should grant the States the maximum administrative discretion possible. Intrusive, Federal oversight of State administration is neither necessary nor desirable.
- (d) When undertaking to formulate and implement policies that have federalism implications, Executive departments and agencies shall:
  - (1) Encourage States to develop their own policies to achieve program objectives and to work with appropriate officials in other States.
  - (2) Refrain, to the maximum extent possible, from establishing uniform, national standards for programs and, when possible, defer to the States to establish standards.
  - (3) When national standards are required, consult with appropriate officials and organizations representing the States in developing those standards.

Sec. 4. *Special Requirements for Preemption.*

- (a) To the extent permitted by law, Executive departments and agencies shall construe, in regulations and otherwise, a Federal statute to preempt State law only when the statute contains an express preemption provision or there is some other firm and palpable evidence compelling the conclusion that the Congress intended preemption of State law, or when the exercise of State authority directly conflicts with the exercise of Federal authority under the Federal statute.
- (b) Where a Federal statute does not preempt State law (as addressed in subsection (a) of this section), Executive departments and agencies shall construe any authorization in the statute for the issuance of regulations as authorizing preemption of State law by rule-making only when the statute expressly authorizes issuance of preemptive regulations or there is some other firm and palpable evidence compelling the conclusion that the Congress intended to delegate to the department or agency the authority to issue regulations preempting State law.
- (c) Any regulatory preemption of State law shall be restricted to the minimum level necessary to achieve the objectives of the statute pursuant to which the regulations are promulgated.
- (d) As soon as an Executive department or agency foresees the possibility of a conflict between State law and Federally protected interests within its area of regulatory responsibility, the department or agency shall consult, to the extent practicable, with appropriate officials and organizations representing the States in an effort to avoid such a conflict.
- (e) When an Executive department or agency proposes to act through adjudication or rule-making to preempt State law, the department or agency shall provide all affected States notice and an opportunity for appropriate participation in the proceedings.

Sec. 5. *Special Requirements for Legislative Proposals.* Executive departments and agencies shall not submit to the Congress legislation that would:

- (a) Directly regulate the States in ways that would interfere with functions essential to the States' separate and

- independent existence or operate to directly displace the States' freedom to structure integral operations in areas of traditional governmental functions;
- (b) Attach to Federal grants conditions that are not directly related to the purpose of the grant; or
- (c) Preempt State law, unless preemption is consistent with the fundamental federalism principles set forth in section 2, and unless a clearly legitimate national purpose, consistent with the federalism policymaking criteria set forth in section 3, cannot otherwise be met.

Sec. 6. Agency Implementation.

- (a) The head of each Executive department and agency shall designate an official to be responsible for ensuring the implementation of this Order.
- (b) In addition to whatever other actions the designated official may take to ensure implementation of this Order, the designated official shall determine which proposed policies have sufficient federalism implications to warrant the preparation of a Federalism Assessment. With respect to each such policy for which an affirmative determination is made, a Federalism Assessment, as described in subsection (c) of this section, shall be prepared. The department or agency head shall consider any such Assessment in all decisions involved in promulgating and implementing the policy.
- (c) Each Federalism Assessment shall accompany any submission concerning the policy that is made to the Office of Management and Budget pursuant to Executive Order No. 12291 or OMB Circular No. A-19, and shall:
- (1) Contain the designated official's certification that the policy has been assessed in light of the principles, criteria, and requirements stated in sections 2 through 5 of this Order;
  - (2) Identify any provision or element of the policy that is inconsistent with the principles, criteria, and requirements stated in sections 2 through 5 of this Order;
  - (3) Identify the extent to which the policy imposes additional costs or burdens on the States, including the likely source of funding for the States and the ability of the States to fulfill the purposes of the policy; and
  - (4) Identify the extent to which the policy would affect the States' ability to discharge traditional State governmental functions, or other aspects of State sovereignty.

Sec. 7. Government-wide Federalism Coordination and Review.

- (a) In implementing Executive Order Nos. 12291 and 12498 and OMB Circular No. A-19, the Office of Management and Budget, to the extent permitted by law and consistent with the provisions of those authorities, shall take action to ensure that the policies of the Executive departments and agencies are consistent with the principles, criteria, and requirements stated in sections 2 through 5 of this Order.
- (b) In submissions to the Office of Management and Budget pursuant to Executive Order No. 12291 and OMB Circular No. A-19, Executive departments and agencies shall identify proposed regulatory and statutory provisions that have significant federalism implications and shall address any substantial federalism concerns. Where the departments or agencies deem it appropriate, substantial federalism concerns should also be addressed in notices of proposed rule-making and messages transmitting legislative proposals to the Congress.

Sec. 8. Judicial Review.

This Order is intended only to improve the internal management of the Executive branch, and is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

An example of the operation of Federalism to constrain the extraterritorial jurisdiction of the federal government in a judicial setting is found in the Supreme Court ruling below. Note that the court is addressing a situation where Congress is acting extraterritorially upon land within a state of the Union that is not within the exclusive or general jurisdiction of the federal government:

Respondents contend that Congress is without power, in view of the immunity doctrine, thus to subject a State to suit. We disagree. Congress enacted the FELA in the exercise of its constitutional power to regulate [377 U.S. 191] interstate commerce. *Second Employers' Liability Cases*, 223 U.S. 1. **While a State's immunity from suit by a citizen without its consent has been said to be rooted in "the inherent nature of sovereignty," *Great Northern Life Ins. Co. v. Read*, supra, 322 U.S. 47, 51,{9} the States surrendered a portion of their sovereignty when they granted Congress the power to regulate commerce.**

This power, like all others vested in congress, is complete in itself, may be exercised to its utmost extent, and acknowledges no limitations other than are prescribed in the constitution. . . . **If, as has always been understood, the sovereignty of congress, though limited to specified objects is plenary as to those objects, the power over commerce with foreign nations, and among the several States, is vested in congress as absolutely as it would be in a single government, having in its constitution the same restrictions on the exercise of the power as are found in the constitution of the United States.**

*Gibbons v. Ogden*, 9 Wheat. 1, 196-197. Thus, as the Court said in *United States v. California*, supra, 297 U.S. at 184-185, a State's operation of a railroad in interstate commerce



1 must be in subordination to the power to regulate interstate commerce, which has been  
2 granted specifically to the national government. The sovereign power of the states is  
3 necessarily diminished to the extent of the grants of power to the federal government in the  
4 Constitution. . . . [T]here is no such limitation upon the plenary power to regulate commerce  
5 [as there is upon the federal power to tax [377 U.S. 192] state instrumentalities]. The state  
6 can no more deny the power if its exercise has been authorized by Congress than can an  
7 individual.

8 By empowering Congress to regulate commerce, then, the States necessarily surrendered any portion of their  
9 sovereignty that would stand in the way of such regulation. Since imposition of the FELA right of action upon  
10 interstate railroads is within the congressional regulatory power, it must follow that application of the Act to  
11 such a railroad cannot be precluded by sovereign immunity.{10}

12 Recognition of the congressional power to render a State suable under the FELA does not mean that the  
13 immunity doctrine, as embodied in the Eleventh Amendment with respect to citizens of other States and as  
14 extended to the State's own citizens by the Hans case, is here being overridden. It remains the law that a  
15 State may not be sued by an individual without its consent. Our conclusion is simply that Alabama, when it  
16 began operation of an interstate railroad approximately 20 years after enactment of the FELA, necessarily  
17 consented to such suit as was authorized by that Act. By adopting and ratifying the Commerce Clause, the  
18 States empowered Congress to create such a right of action against interstate railroads; by enacting the  
19 FELA in the exercise of this power, Congress conditioned the right to operate a railroad in interstate  
20 commerce upon amenability to suit in federal court as provided by the Act; by thereafter operating a railroad  
21 in interstate commerce, Alabama must be taken to have accepted that condition and thus to have consented  
22 to suit.

23 [B]y engaging in interstate commerce by rail, [the State] has subjected itself to the  
24 commerce power, and is liable for a violation of the . . . Act, as are other [377 U.S. 193]  
25 carriers. . . .

26 United States v. California, supra, 297 U.S. at 185; California v. Taylor, supra, 353 U.S. at 568. We thus agree  
27 that

28 [T]he State is liable upon the theory that, by engaging in interstate commerce by rail, it has  
29 subjected itself to the commerce power of the federal government.

30 \* \* \* \*

31 It would be a strange situation indeed if the state could be held subject to the [Federal Safety Appliance Act]  
32 and liable for a violation thereof, and yet could not be sued without its express consent. The state, by engaging  
33 in interstate commerce, and thereby subjecting itself to the act, must be held to have waived any right it may  
34 have had arising out of the general rule that a sovereign state may not be sued without its consent.

35 Maurice v. State, supra, 43 Cal.App.2d at 275, 277, 110 P.2d at 710-711. Accord, Higginbotham v. Public Belt  
36 R. Comm'n, supra, 192 La. 525, 550-551, 188 So. 395, 403; Mathewes v. Port Utilities Comm'n, supra.{11}  
37 [377 U.S. 194]

38 Respondents deny that Alabama's operation of the railroad constituted consent to suit. They argue that it had  
39 no such effect under state law, and that the State did not intend to waive its immunity or know that such a  
40 waiver would result. Reliance is placed on the Alabama Constitution of 1901, Art. I, Section 14 of which  
41 provides that "the State of Alabama shall never be made a defendant in any court of law or equity"; on state  
42 cases holding that neither the legislature nor a state officer has the power to waive the State's immunity;{12}  
43 and on cases in this Court to the effect that whether a State has waived its immunity depends upon its intention  
44 and is a question of state law [377 U.S. 195] only. Chandler v. Dix, 194 U.S. 590; Palmer v. Ohio, 248 U.S. 32;  
45 Ford Motor Co. v. Department of Treasury, 323 U.S. 459, 466-470. We think those cases are inapposite to the  
46 present situation, where the waiver is asserted to arise from the State's commission of an act to which  
47 Congress, in the exercise of its constitutional power to regulate commerce, has attached the condition of  
48 amenability to suit. More pertinent to such a situation is our decision in Petty v. Tennessee-Missouri Bridge  
49 Comm'n, supra. That was a suit against a bi-state authority created with the consent of Congress pursuant to  
50 the Compact Clause of the Constitution. We assumed arguendo that the suit must be considered as being  
51 against the States themselves, but held nevertheless that, by the terms of the compact and of a proviso that  
52 Congress had attached in approving it,{13} the States had waived any immunity they might otherwise have had.  
53 In reaching this conclusion, we rejected arguments, like the one made here, based on the proposition that  
54 neither [377 U.S. 196] of the States, under its own law, would have considered the language in the compact to  
55 constitute a waiver of its immunity. The question of waiver was, we held, one of federal law. It is true that this  
56 holding was based on the inclusion of the language in an interstate compact sanctioned by Congress under the  
57 Constitution. But such compacts do not present the only instance in which the question whether a State has  
58 waived its immunity is one of federal law. This must be true whenever the waiver is asserted to arise from an  
59 act done by the State within the realm of congressional regulation; for the congressional power to condition  
60 such an act upon amenability to suit would be meaningless if the State, on the basis of its own law or

intention, could conclusively deny the waiver and shake off the condition. The broad principle of the Petty case is thus applicable here: where a State's consent to suit is alleged to arise from an act not wholly within its own sphere of authority, but within a sphere -- whether it be interstate compacts or interstate commerce -- subject to the constitutional power of the Federal Government, the question whether the State's act constitutes the alleged consent is one of federal law. Here, as in Petty, the States by venturing into the congressional realm "assume the conditions that Congress under the Constitution attached." 359 U.S. at 281-282. [Parden v. Terminal R. Co., 377 U.S. 184 (1964)]

Note in the above case that extraterritorial jurisdiction was procured by the federal government within the exterior limits of a "foreign state", which was a state of the Union, by the commission of an act by the state in the context of its private business ventures, which act constituted interstate commerce. The state indicated that it did not consent to the jurisdiction of the federal government, but their consent was implied by the combination of the Constitution, which is a "contract" or "compact", as well as an act falling within the Constitution for which Congress was granted exclusive authority over the state by the state's own ratification of said "compact" as a member of the Union. In that sense, the Constitution creates the equivalent of an "implied contract" or "quasi contract" which can be used to regulate all activities covered by the contract extraterritorially, even among parties who were unaware of the implied contract and did not explicitly or individually consent. Below is a definition of "implied contract" from Black's Law Dictionary:

CONTRACT. [ . . . ] An implied contract is one not created or evidenced by the explicit agreement of the parties, but inferred by the law, as a matter of reason and justice from their acts or conduct, the circumstances surrounding the transaction making it a reasonable, or even a necessary, assumption that a contract existed between them by tacit understanding. *Miller's Appeal*, 100 Pa. 568, 45 Am.Rep. 394; *Landon v. Kansas City Gas Co.*, C.C.A.Kan., 10 F.2d 263, 266; *Caldwell v. Missouri State Life Ins. Co.*, 230 S.W. 566, 568, 148 Ark. 474; *Cameron, to Use of Cameron, v. Eynon*, 332 Pa. 529, 3 A.2d 423, 424; *American La France Fire Engine Co., to Use of American La France & Foamite Industries, v. Borough of Shenandoah*, C.C.A.Pa., 115 F.2d 886, 867.

Implied contracts are sometimes subdivided into those "implied in fact" and those "implied in law," the former being covered by the definition just given, while the latter are obligations imposed upon a person by the law, not in pursuance of his intention and agreement, either expressed or implied, but even against his will and design, because the circumstances between the parties are such as to render it just that the one should have a right, and the other a corresponding liability, similar to those which would arise from a contract between the. This kind of obligation therefore rests on the principle that whatsoever it is certain a man ought to do that the law will suppose him to have promised to do. And hence it is said that, while the liability of a party to an express contract arises directly from the contract, it is just the reverse in the case of a contract "implied in law," the contract there being Implied or arising from the liability. *Bliss v. Hoy*, 70 Vt. 534, 41 A. 1026; *Kellum v. Browning's Adm'r*. 231 Ky. 308. 21 S.W.2d 459, 465. But obligations of this kind are not properly contracts at all, and should not be so denominated. There can be no true contract without a mutual and concurrent intention of the parties. Such obligations are more properly described as "quasi contracts." *Union Life Ins. Co. v. Glasscock*, 270 Ky. 750, 110 S.W.2d 681, 686, 114 A. L. R. 373. [Black's Law Dictionary, Fourth Edition, p. 395]

If you want to investigate the matter of federalism further, we highly recommend the following succinct summary from our Liberty University, Item #2.4:

[Cooperative Federalism, Form #05.034](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>

## 13 Sovereign Immunity

States of the Union are sovereign in respect to the federal government and the people within them are sovereign in respect to their respective state governments. These principles are reflected in a judicial doctrine known as "sovereign immunity".

The exemption of the United States from being impleaded without their consent is, as has often been affirmed by this court, as absolute as that of the crown of England or any other sovereign. In *Cohens v. Virginia*, 6 Wheat. 264, 411, Chief Justice MARSHALL said: 'The universally-received opinion is that [106 U.S. 196, 227] no suit can be commenced or prosecuted against the United States.' In *Beers v. Arkansas*, 20 How. 527, 529, Chief Justice TANEY said: 'It is an established principle of jurisprudence, in all civilized nations, that the sovereign cannot be sued in its own courts, or in any other, without its consent and permission; but it may, if it thinks proper, waive this privilege, and permit itself to be made a defendant in a suit by individuals, or by another state. And as this permission is altogether voluntary on the part of the sovereignty, it follows that it may prescribe the terms and conditions on which it consents to be sued, and the manner in which the suit shall be conducted, and may withdraw its consent whenever it may suppose that justice to the public requires it.' In the same spirit, Mr. Justice DAVIS, delivering the judgment of the court in *Nichols v. U. S.* 7 Wall. 122, 126, said: 'Every government has an inherent right to protect itself against suits, and if, in the liberality of legislation

they are permitted, it is only on such terms and conditions as are prescribed by statute. The principle is fundamental, applies to every sovereign power, and, but for the protection which it affords, the government would be unable to perform the various duties for which it was created. See, also, U. S. v. Clarke, 8 Pet. 436, 444; Cary v. Curtis, 3 How. 236, 245, 256; U. S. v. McLemore, 4 How. 286, 289; Hill v. U. S. 9 How. 386, 389; Recside v. Walker, 11 How. 272, 290; De Groot v. U. S. 5 Wall. 419, 431; U. S. v. Eckford, 6 Wall. 484, 488; The Siren, 7 Wall. 152, 154; The Davis, 10 Wall. 15, 20; U. S. v. O'Keefe, 11 Wall. 178; Case v. Terrell, 11 Wall. 199, 201; Carr v. U. S. 98 U.S. 433 , 437; U. S. v. Thompson, 98 U.S. 486 , 489; Railroad Co. v. Tennessee, 101 U.S. 337 ; Railroad Co. v. Alabama, 101 U.S. 832 .  
[U.S. v. Lee, 106 U.S. 196 (1882)]

Only either by the consent of the sovereign or by the state electing to engage in “private business concerns” is the sovereign immunity of the state explicitly or implicitly waived, respectively:

When a State engages in ordinary commercial ventures, it acts like a private person, outside the area of its "core" responsibilities, and in a way unlikely to prove essential to the fulfillment of a basic governmental obligation. A Congress that decides to regulate those state commercial activities rather than to exempt the State likely believes that an exemption, by treating the State differently from identically situated private persons, would threaten the objectives of a federal regulatory program aimed primarily at private conduct. Compare, e.g. , 12 U.S.C. §1841(b) (1994 ed., Supp. III) (exempting state companies from regulations covering federal bank holding companies); 15 U.S.C. §77c(a)(2) (exempting state-issued securities from federal securities laws); and 29 U.S.C. §652(5) (exempting States from the definition of "employer[s]" subject to federal occupational safety and health laws), with 11 U.S.C. §106(a) (subjecting States to federal bankruptcy court judgments); 15 U. S. C. §1122(a) (subjecting States to suit for violation of Lanham Act); 17 U.S.C. §511(a) (subjecting States to suit for copyright infringement); 35 U.S.C. §271(h) (subjecting States to suit for patent infringement). And a Congress that includes the State not only within its substantive regulatory rules but also (expressly) within a related system of private remedies likely believes that a remedial exemption would similarly threaten that program. See Florida Prepaid Postsecondary Ed. Expense Bd. v. College Savings Bank, ante , at \_\_\_\_ ( Stevens , J., dissenting). It thereby avoids an enforcement gap which, when allied with the pressures of a competitive marketplace, could place the State's regulated private competitors at a significant disadvantage.

These considerations make Congress' need to possess the power to condition entry into the market upon a waiver of sovereign immunity (as "necessary and proper" to the exercise of its commerce power) unusually strong, for to deny Congress that power would deny Congress the power effectively to regulate private conduct. Cf. California v. Taylor , 353 U. S. 553, 566 (1957). At the same time they make a State's need to exercise sovereign immunity unusually weak, for the State is unlikely to have to supply what private firms already supply, nor may it fairly demand special treatment, even to protect the public purse, when it does so. Neither can one easily imagine what the Constitution's founders would have thought about the assertion of sovereign immunity in this special context. These considerations, differing in kind or degree from those that would support a general congressional "abrogation" power, indicate that Parden 's holding is sound, irrespective of this Court's decisions in Seminole Tribe of Fla. v. Florida, 517 U.S. 44 (1996), and Alden v. Maine, ante , p. \_\_\_\_ .  
[College Savings Bank v. Florida Prepaid Postsecondary Education Expense, 527 U.S. 666 (1999)]

Below is a definition of “sovereign immunity” from Black’s Law Dictionary, Fifth Edition:

Sovereign immunity. Doctrine precludes litigant from asserting an otherwise meritorious cause of action against a sovereign or a party with sovereign attributes unless sovereign consents to suit. Principe Compania Naviera, S. A. v. Board of Com'rs of Port of New Orleans, D.C.La., 333 F.Supp. 353, 355. Historically, the federal and state governments, and derivatively cities and towns, were immune from tort liability arising from activities which were governmental in nature. Most jurisdictions, however, have abandoned this doctrine in favor of permitting tort actions with certain limitations and restrictions. See Federal Tort Claims Act; Governmental immunity; Tort Claims Acts.  
[Black’s Law Dictionary, Fifth Edition, p. 1252]

Notice the phrase above “unless the sovereign consents to the suit”. The inherent legal presumption that all courts and governments must operate under is that all human beings, artificial persons, “associations”, “states” or “political groups”:

1. Are inherently sovereign.

"The rights of sovereignty extend to all persons and things not privileged, that are within the territory. They extend to all strangers resident therein; not only to those who are naturalized, and to those who are domiciled therein, having taken up their abode with the intention of permanent residence, but also to those whose residence is transitory. All strangers are under the protection of the sovereign while they are within his territory and owe a temporary allegiance in return for that protection."  
[Carlisle v. United States, 83 U.S. 147, 154 (1873)]

2. Have a right to be “left alone” by the government and their neighbor:



"The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings and of his intellect. They knew that only a part of the pain, pleasure and satisfactions of life are to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions and their sensations. They conferred, as against the Government, the right to be let alone - the most comprehensive of rights and the right most valued by civilized men."

[Olmstead v. United States, 277 U.S. 438, 478 (1928) (Brandeis, J., dissenting); see also Washington v. Harper, 494 U.S. 210 (1990)]

3. Can only surrender a portion of their sovereignty and the rights that inhere in that sovereignty through their explicit (in writing) or implicit (by their behavior) consent in some form.

*Quod meum est sine me auferri non potest.*

What is mine cannot be taken away without my consent. Jenk. Cent. 251. Sed vide Eminent Domain.

*Id quod nostrum est, sine facto nostro ad alium transferi non potest.*

What belongs to us cannot be transferred to another without our consent. Dig. 50, 17, 11. But this must be understood with this qualification, that the government may take property for public use, paying the owner its value. The title to property may also be acquired, with the consent of the owner, by a judgment of a competent tribunal.

[Bouvier's Maxims of Law, 1856;

SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviereMaxims.htm>]

4. Possess EQUAL sovereignty. The foundation of our Constitution is equal protection. No group of men or "state" or government can have any more rights than a single man, because all of their powers are delegated to them by the people they serve and were created to protect:

"But arbitrary selection can never be justified by calling it classification. The equal protection demanded by the fourteenth amendment forbids this. No language is more worthy of frequent and thoughtful consideration than these words of Mr. Justice Matthews, speaking for this court, in Yick Wo v. Hopkins, 118 U.S. 356, 369, 6 S. Sup. Ct. 1064, 1071: 'When we consider the nature and the theory of our institutions of government, the principles upon which they are supposed to rest, and review the history of their development, we are constrained to conclude that they do not mean to leave room for the play and action of purely personal and arbitrary power.' The first official action of this nation declared the foundation of government in these words: 'We hold these truths to be self-evident, [165 U.S. 150, 160] that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.' While such declaration of principles may not have the force of organic law, or be made the basis of judicial decision as to the limits of right and duty, and while in all cases reference must be had to the organic law of the nation for such limits, yet the latter is but the body and the letter of which the former is the thought and the spirit, and it is always safe to read the letter of the constitution in the spirit of the Declaration of Independence. No duty rests more imperatively upon the courts than the enforcement of those constitutional provisions intended to secure that equality of rights which is the foundation of free government."

[Gulf, C. & S. F. R. Co. v. Ellis, 165 U.S. 150 (1897)]

In other words, everyone has a natural, inherent right of ownership over their own life, liberty, and property granted by the Creator which can only be taken away by their own consent. The Declaration of Independence recognizes this natural right, when it says:

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.--That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed"

[Declaration of Independence]

The purpose for the establishment of all governments is therefore to protect these natural, God-given rights or what the U.S. Supreme Court calls "liberty interests". Neither the Constitution, nor any enactment of Congress passed in furtherance of it confers these rights, but simply recognizes and protects these natural, God-given rights. The U.S. Supreme Court admitted this when it said:

"Men are endowed by their Creator with certain unalienable rights,--life, liberty, and the pursuit of happiness; and to 'secure,' not grant or create, these rights, governments are instituted. That property [or income] which a man has honestly acquired he retains full control of. . ."

[Budd v. People of State of New York, 143 U.S. 517 (1892)]

In law, all rights are identified as "property". This is confirmed by the definition of "property" in Black's Law Dictionary,

1 which says that “It extends to every species of valuable right”:

2 “**Property.** That which is peculiar or proper to any person; that which belongs exclusively to one. In  
3 the strict legal sense, an aggregate of rights which are guaranteed and protected by the  
4 government. *Fulton Light, Heat & Power Co. v. State*, 65 Misc.Rep. 263, 121 N.Y.S. 536. The term is said  
5 to extend to every species of valuable right and interest. More specifically, ownership; the unrestricted  
6 and exclusive right to a thing; the right to dispose of a thing in every legal way, to possess it, to use it,  
7 and to exclude every one else from interfering with it. That dominion or indefinite right of particular things or  
8 subjects. The exclusive right of possessing, enjoying, and disposing of a thing. The highest right a man can  
9 have to anything; being used to refer to that right which one has to lands or tenements, goods or chattels, which  
10 no way depends on another man’s courtesy.

11 The word is also commonly used to denote everything which is the subject of ownership; corporeal or  
12 incorporeal, tangible or intangible, visible or invisible, real or personal; everything that has an exchangeable  
13 value or which goes to make up wealth or estate. It extends to every species of valuable right and interest, and  
14 includes real and personal property, easements, franchises, and incorporeal hereditaments, and includes  
15 every invasion of one’s property rights by actionable wrong. *Labberton v. General Cas. Co. of America*, 53  
16 Wash.2d 180, 332 P.2d 250, 252, 254.

17 [ . . . ]

18 Property within constitutional protection, denotes group of rights inhering in citizen’s relation to physical  
19 thing, as right to possess, use and dispose of it. *Cereghino v. State By and Through State Highway*  
20 *Commission*, 230 Or. 439, 370 P.2d 694, 697.”  
21 [Black’s Law Dictionary, Sixth Edition, p. 1216]

22 Sovereign immunity can apply just as readily to governments as it can to individuals. A person who doesn’t consent to any  
23 aspect of government civil jurisdiction and who has no legal “domicile” or “residence” within that government’s  
24 jurisdiction is called a “foreign sovereign”, and he or she or it is protected by the Foreign Sovereign Immunities Act found  
25 at 28 U.S.C. Part IV, Chapter 97:

Foreign Sovereign Immunities Act, 28 U.S.C. Part IV, Chapter 97  
[http://assembler.law.cornell.edu/uscode/html/uscode28/usc\\_sup\\_01\\_28\\_10\\_IV\\_20\\_97.html](http://assembler.law.cornell.edu/uscode/html/uscode28/usc_sup_01_28_10_IV_20_97.html)

26 Under the principles of sovereign immunity, it is internationally and nearly universally recognized by every country and  
27 nation and court on earth that every nation or state or individual or group are entitled to sovereign immunity and may only  
28 surrender a portion of that sovereignty or natural right over their property by committing one or more acts within a list of  
29 specific qualifying acts. Any one of these acts then constitute the equivalent of “constructive or implicit consent” to the  
30 jurisdiction of the courts within that forum or state. These qualifying acts include any of the following, which are a  
31 summary of those identified in the Foreign Sovereign Immunities Act above:

32 1. Being a “citizen” or “domiciliary” of the Forum or State in question. See [28 U.S.C. §1603\(b\)\(3\)](#).

33 An “agency or instrumentality of a foreign state” means any entity—which is neither a citizen of a State of the  
34 United States as defined in section [1332](#) (c) and (d) of this title, nor created under the laws of any third  
35 country.  
36 [[28 U.S.C. §1603\(b\)\(3\)](#)]

37 2. Foreign state has waived its immunity either explicitly or by implication, notwithstanding any withdrawal of the waiver  
38 which the foreign state may purport to effect except in accordance with the terms of the waiver. See [28 U.S.C.](#)  
39 [§1605\(b\)\(1\)](#).

40 3. Commercial Activity within the Forum or State. See [28 U.S.C. §1605\(b\)\(2\)](#).  
41 3.1. Action based upon a commercial activity carried on in the Forum or State by the foreign state; or  
42 3.2. Upon an act performed in the Forum or State in connection with a commercial activity of the foreign state  
43 elsewhere; or upon an act outside the territory of the Forum or State in connection with a commercial activity of  
44 the foreign state elsewhere and that act causes a direct effect in the Forum or State .

45 4. Rights to property taken in violation of international law. See [28 U.S.C. §1605\(b\)\(3\)](#).

46 4.1. Rights in property taken in violation of international law are in issue and that property or any property exchanged  
47 for such property is present in the Forum or State in connection with a commercial activity carried on in the  
48 Forum or State by the foreign state; or

49 4.2. That property or any property exchanged for such property is owned or operated by an agency or instrumentality

of the foreign state and that agency or instrumentality is engaged in a commercial activity in the Forum or State.

5. Rights in property in the Forum or State acquired by succession or gift or rights in immovable property situated in the Forum or State are in issue. See [28 U.S.C. §1605\(b\)\(4\)](#).
6. Money damages for official acts of officials of foreign state which cause injury, death, damage, loss of property in the Forum or State. Not otherwise encompassed in paragraph 3 above in which money damages are sought against a foreign state for personal injury or death, or damage to or loss of property, occurring in the Forum or State and caused by the tortious act or omission of that foreign state or of any official or employee of that foreign state while acting within the scope of his office or employment. See [28 U.S.C. §1605\(b\)\(4\)](#). Except this paragraph shall not apply to:
  - 6.1. any claim based upon the exercise or performance or the failure to exercise or perform a discretionary function regardless of whether the discretion be abused, or
  - 6.2. any claim arising out of malicious prosecution, abuse of process, libel, slander, misrepresentation, deceit, or interference with contract rights;
7. Contracts between private party and foreign state: See [28 U.S.C. §1605\(b\)\(6\)](#). Action is brought, either to enforce an agreement made by the foreign state with or for the benefit of a private party to submit to arbitration all or any differences which have arisen or which may arise between the parties with respect to a defined legal relationship, whether contractual or not, concerning a subject matter capable of settlement by arbitration under the laws of the Forum or State, or to confirm an award made pursuant to such an agreement to arbitrate, if.
  - 7.1. The arbitration takes place or is intended to take place in the Forum or State,
  - 7.2. The agreement or award is or may be governed by a treaty or other international agreement in force for the Forum or State calling for the recognition and enforcement of arbitral awards,
  - 7.3. The underlying claim, save for the agreement to arbitrate, could have been brought in a Forum or State court under this section or section [1607](#), or (D) paragraph (1) of this subsection is otherwise applicable; or
8. Money damages for acts of terrorism by foreign state: Not otherwise covered by paragraph 3 in which money damages are sought against a foreign state for personal injury or death that was caused by an act of torture, extrajudicial killing, aircraft sabotage, hostage taking, or the provision of material support or resources (as defined in section [2339A](#) of title [18](#)) for such an act if such act or provision of material support is engaged in by an official, employee, or agent of such foreign state while acting within the scope of his or her office, employment, or agency. See [28 U.S.C. §1605\(b\)\(7\)](#). Except that the court shall decline to hear a claim under this paragraph:
  - 8.1. If the foreign state was not designated as a state sponsor of terrorism under section 6(j) of the Export Administration Act of 1979 ([50 App. U.S.C. 2405 \(j\)](#)) or section 620A of the Foreign Assistance Act of 1961 ([22 U.S.C. 2371](#)) at the time the act occurred, unless later so designated as a result of such act or the act is related to Case Number 1:00CV03110(EGS) in the Forum or State District Court for the District of Columbia; and
  - 8.2. Even if the foreign state is or was so designated, if—
    - 8.2.1. the act occurred in the foreign state against which the claim has been brought and the claimant has not afforded the foreign state a reasonable opportunity to arbitrate the claim in accordance with accepted international rules of arbitration; or
    - 8.2.2. neither the claimant nor the victim was a national of the Forum or State (as that term is defined in Section 101(a)(22) of the Immigration and Nationality Act) when the act upon which the claim is based occurred.

From the above list, two items are abused by your public servants more frequently than any others in order to unwittingly destroy your sovereignty, your inherent sovereign immunity, and to unlawfully expand their jurisdiction beyond the clear limits described by the United States Constitution:

1. Item 1: How they or you describe your citizenship and domicile. The federal government abuses their authority to write laws and print forms by writing them in such a vague way that they appear to create a presumption that you are a “citizen” with a legal domicile within their jurisdiction. They do this by:
  - 1.1. Only offering you one option to describe your citizenship on their forms, which is a “U.S. citizen”. This creates a presumption that you are a statutory “U.S. citizen” pursuant to [8 U.S.C. §1401](#) who is domiciled within their exclusive jurisdiction. Since they don’t offer you the option to declare yourself a state citizen or state national, then most people wrongfully presume that there is no such thing or that they are not one, even though they are. See:

*Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen*, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>
  - 1.2. Using citizenship terms on their forms which are not described in any federal statute, such as “U.S. citizen”. This term is nowhere used in Title 8 of the U.S. Code. The only similar term is “citizen and national of the United States”, which is defined in [8 U.S.C. §1401](#).
2. Item 3: The government connects you to commerce within their legislative jurisdiction. They do this by:



- 2.1. Presuming that you are connected to commerce by virtue of using a Social Security Number or Taxpayer Identification Number.
- 2.2. Terrorizing and threatening banks and financial institutions to unlawfully coerce their customers to provide a Social Security Number or Taxpayer Identification Number in criminal violation of [42 U.S.C. §408](#). Any financial account that has a federally issued number associated with it is presumed to be private properly donated to a public use in order to procure a privilege from the government, whether it be a tax deduction associated with a “trade or business” (public office) as described in [26 U.S.C. §162](#), or “social insurance” in the case of Socialist Security.
- 2.3. Making false, prejudicial, and unconstitutional presumptions about the meaning of the term “United States”, which is defined in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and 4 U.S.C. §110(d) as federal territory not within the limits of any Constitutional state in the context of Subtitle A of the Internal Revenue Code and nowhere expanded to include any area within the exclusive jurisdiction of a state of the Union. See:

|   |
|---|
| <p><i>Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction</i>, Form #05.017<br/><a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p> |
|---|

Why are the above methods of waiving sovereign immunity and the rights of sovereignty associated with them nearly universally recognized by every country, court, and nation on earth? Because:

1. These rights come from God, and God is universally recognized by people and cultures all over the world.
2. Everyone deserves, needs, and wants as much authority, autonomy, and control over their own life and property as they can get, consistent with the *equal* rights of others. In other words, they have a right of being self-governing. Of this subject, one of our most revered Presidents, Teddy Roosevelt, said:

*“We of this mighty western Republic have to grapple with the dangers that spring from popular self-government tried on a scale incomparably vaster than ever before in the history of mankind, and from an abounding material prosperity greater also than anything which the world has hitherto seen.”*

*As regards the first set of dangers, it behooves us to remember that men can never escape being governed. Either they must govern themselves or they must submit to being governed by others. If from lawlessness or fickleness, from folly or self-indulgence, they refuse to govern themselves then most assuredly in the end they will have to be governed from the outside. They can prevent the need of government from without only by showing they possess the power of government from within. A sovereign cannot make excuses for his failures; a sovereign must accept the responsibility for the exercise of power that inheres in him; and where, as is true in our Republic, the people are sovereign, then the people must show a sober understanding and a sane and steadfast purpose if they are to preserve that orderly liberty upon which as a foundation every republic must rest.”*

*[President Theodore Roosevelt; Opening of the Jamestown Exposition; Norfolk, VA, April 26, 1907]*

3. You cannot deserve or have a “right” to what you are not willing to give in equal measure to others. This is the essence of what Christians call “The Golden Rule”, which Jesus Himself revealed as follows:

*“Therefore, whatever you want men to do to you, do also to them, for this is the Law and the Prophets.”*  
*[Matt. 7:12, Bible, NKJV]*

Everyone understands the concept of “explicit consent”, because everyone understands the idea of exercising your right to contract in order to exchange some of your rights to obtain something you deem valuable. Usually, explicit consent requires a written contract of some kind in order to be enforceable against an otherwise “foreign sovereign”. The part of the consent equation that most people have trouble with is the idea of “implied consent”.

*“Implied consent. That manifested by signs, actions, or facts, or by inaction or silence, which raise a presumption that the consent has been given. For example, when a corporation does business in a state it impliedly consents to be subject to the jurisdiction of that state's courts in the event of tortious conduct, even though it is not incorporated in that state. Most every state has a statute implying the consent of one who drives upon its highways to submit to some type of scientific test or tests measuring the alcoholic content of the driver's blood. In addition to implying consent, these statutes usually provide that if the result of the test shows that the alcohol content exceeds a specified percentage, then a rebuttable presumption of intoxication arises.”*  
*[Black's Law Dictionary, Fifth Edition, pp. 276-277]*

Below are some examples of “implied consent”, to help illustrate this concept.

1. When a person in the course of business affairs or a nation in the presence of a treaty with another nation willingly

tolerates a breach of contract or treaty, they give their silent consent to the violation and thereby surrender any rights which might have been encroached thereby.

Supposing this not to be a tax for inspection purposes, has Congress consented to its being laid? It is certain that Congress has not expressly consented. But is express consent necessary? There is nothing in the Constitution which says so. There is nothing in the practice of men, or in the Municipal Law of men, or in the practice of nations, or the Law of nations that says so. Silence gives consent, is the rule of business life. A tender of bank bills is as good as one of coin, unless the bills are objected to. To stand by, in silence, and see another sell your property, binds you. These are mere instances of the use of the maxim in the Municipal Law. In the Law of Nations, it is equally potent. **Silent acquiescence in the breach of a treaty binds a Nation.** ( *Vattel, ch. 16, sec. 199, book 1. See book 2, sec. 142, et seq. as to usucaption and prescription, and sec. 208 as to ratification.*

**Express consent, then, not being necessary, is there any thing from which consent may be implied? There is length of time.** The Ordinance was passed the 24th of January, 1842, and has been in operation ever since. If Congress had been opposed to the Ordinance, it had but to speak, to be obeyed. It spoke not-it has never spoken: therefore, it has not been opposed to the Ordinance, but has been consenting to it.

4. Say, however, that Congress has not consented to the Ordinance, then the most that can be maintained is, that the Ordinance stands subject to "the revision and control of Congress." It stands a Law-a something susceptible of revision and control-not a something unsusceptible of revision and control as a void thing would be.

[*Padelford, Fay & Co. v. Mayor and Aldermen of City of Savannah, 14 Ga. 438, WL 1492, (1854)*]

2. When a person drives in state, he consents to a blood-alcohol test if required by a police officer who has some probable cause to believe that he is intoxicated.
3. When a person commits a crime (violation of a criminal or penal code) on the territory of a foreign state and thereby injures the equal rights of fellow sovereigns, they are deemed implicitly consent to a surrender of their own rights. They do not need a domicile or residence on the territory of the sovereign in order to become subject to the criminal laws of that sovereign. This is because every nation, state, or foreign sovereign has an inherent and natural right of self-defense. Implicit in this right is the God-given authority to use whatever force is necessary to prevent an injury to their person, property, or liberty from the malicious or harmful acts of others.
4. When a man sticks his pecker in a hole, he is presumed by voluntarily engaging in such an act to consent to all the obligations arising out of such a "privilege". This includes implied consent to pay all child support obligations that might accrue in the future by virtue of such an act. Marriage licenses are the state's vain attempt to protect the owner of the hole from being injured by either irresponsible visitors or their poor discretion in choosing or allowing visitors, and not a whole lot more. In this context, as in nearly all other contexts, the government offers a privilege or "license" which essentially amounts to a form of "liability insurance". You can only benefit from the insurance program by voluntarily "signing up" when you make application to procure the license.
5. When a person avails themselves of a benefit or "privilege" offered by the government, they implicitly consent to be bound by all the obligations arising out of it.

CALIFORNIA CIVIL CODE  
DIVISION 3. OBLIGATIONS  
PART 2. CONTRACTS  
CHAPTER 3. CONSENT  
[Section 1589](#)

1589. A voluntary acceptance of the benefit of a transaction is equivalent to a consent to all the obligations arising from it, so far as the facts are known, or ought to be known, to the person accepting.

Below are some examples of "benefits" that might fit this description, all of which amount to the equivalent of private insurance offered by what amounts to a for profit, government-owned corporation :

- 5.1. Social Security.
- 5.2. Medicare.
- 5.3. Unemployment insurance.
- 5.4. Federal employment. Anyone who exercises their right to contract in order to procure federal employment implicitly agrees to be bound by all of Title 5 of the United States Code.
- 5.5. Registering a vehicle. You are not required to register your vehicle in a state. Most people do it to provide added protection of their ownership over the vehicle. When they procure this privilege, they also confer upon the state the right to require those who drive the vehicle to use a license. A vehicle that is not so registered, and especially by a non-domiciled person, can lawfully be driven by such a person without the need for a driver's license.

- 1 5.6. Professional licenses. A “license” is legally defined as permission by the state to do that which is otherwise  
2 illegal. A professional licenses is simply an official recognition of a person’s professional status. It is illegal to  
3 claim the benefits of that recognition unless you possess the license. The government has moral and legal  
4 authority to prevent you only from engaging in criminal and harmful behaviors, not ALL behaviors. Therefore,  
5 the only thing they can lawfully “license” are potentially harmful activities, such as manufacturing or selling  
6 alcohol, drugs, medical equipment, or toxic substances. Any other type of license, such as an attorney license, is  
7 a voluntary privilege that they cannot prosecute you for refusing to engage in.
- 8 5.7. Driver’s licenses. All states can only issue or require driver’s licenses of those domiciled in federal areas or  
9 territory within the exterior limit of the state. They cannot otherwise regulate the free exercise of a right. Since  
10 federal territory or federal areas are the only place where these legal rights do NOT exist, then this is the only  
11 place they can lawfully regulate the right to travel.
- 12 5.8. Statutory marriage. Most states have outlawed common law marriage. Consequently, the only way you can  
13 become subject to the family code in your state is to voluntarily procure a government license to marry.

14 When a foreign state explicitly (in writing) or implicitly (through their conduct) consents to the jurisdiction of a sister  
15 Forum or State, they are deemed to be “present” within that state legally, but not necessarily physically. Here is how the  
16 Ninth Circuit Court of Federal Appeals describes this concept:

17 *In International Shoe Co. v. Washington*, 326 U.S. 310 (1945), the Supreme Court held that a court may  
18 exercise personal jurisdiction over a defendant consistent with due process only if he or she has “certain  
19 minimum contacts” with the relevant forum “such that the maintenance of the suit does not offend ‘traditional  
20 notions of fair play and substantial justice.’ ” Id. at 316 (quoting *Milliken v. Meyer*, 311 U.S. 457, 463 (1940)).  
21 Unless a defendant’s contacts with a forum are so substantial, continuous, and systematic that the defendant  
22 can be deemed to be “present” in that forum for all purposes, a forum may exercise only “specific”  
23 jurisdiction - that is, jurisdiction based on the relationship between the defendant’s forum contacts and the  
24 plaintiff’s claim.

25 [ . . . ]

26 In this circuit, we analyze specific jurisdiction according to a three-prong test:

- 27 (1) The non-resident defendant must purposefully direct his activities or consummate some transaction with  
28 the forum or resident thereof; or perform some act by which he purposefully avails himself of the privilege  
29 of conducting activities in the forum, thereby invoking the benefits and protections of its laws;  
30 (2) the claim must be one which arises out of or relates to the defendant’s forum-related activities; and  
31 (3) the exercise of jurisdiction must comport with fair play and substantial justice, i.e. it must be reasonable.

32 *Schwarzenegger v. Fred Martin Motor Co.*, 374 F.3d 797, 802 (9th Cir. 2004) (quoting *Lake v. Lake*, 817 F.2d  
33 1416, 1421 (9th Cir. 1987)). The first prong is determinative in this case. We have sometimes referred to it, in  
34 shorthand fashion, as the “purposeful availment” prong. *Schwarzenegger*, 374 F.3d at 802. Despite its label,  
35 this prong includes both purposeful availment and purposeful direction. It may be satisfied by purposeful  
36 availment of the privilege of doing business in the forum; by purposeful direction of activities at the forum; or  
37 by some combination thereof.  
38 [*Yahoo! Inc. v. La Ligue Contre Le Racisme Et L’Antisemitisme*, 433 F.3d 1199 (9th Cir. 01/12/2006)]

39 Understanding the above concept is the key to unlocking what many freedom lovers instinctively regard as “the fraud of the  
40 income tax”. Most freedom lovers understand that the federal government has no territorial jurisdiction within states of the  
41 Union, but they simply do not understand where the lawful authority of federal courts derives to treat them as either  
42 “residents” as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) or “U.S. persons” as defined in [26 U.S.C. §7701\(a\)\(30\)](#). The key to  
43 unraveling this puzzle is to understand that the courts are silently “presuming” that at some time in the past, you voluntarily  
44 availed yourself of a commercial federal “privilege” and thereby waived your sovereign immunity under [28 U.S.C.](#)  
45 [§1605\(a\)\(2\)](#). An example of how this waiver occurred is by signing up for the Social Security program on an SS-5 form.  
46 When you signed up for that program:

- 47 1. You made a decision to conduct “commerce” within the legislative jurisdiction of the sovereign.  
48 2. Pursuant to [28 U.S.C. §1605\(a\)\(2\)](#), you surrendered or “waived” sovereign immunity.  
49 3. Your status changed from that of a “nonresident alien” as defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#) to a “resident alien” as  
50 defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#).  
51 4. You became a legal “resident” who is “present” within the forum. A “resident” is a “res”, which is a legal thing, which  
52 is “identified” within the forum. You in essence “procured” a legal identity within the forum that the forum recognizes  
53 in the courts, even though you may never have been physically present or domiciled in the federal zone.



5. You made a decision to act in a representative capacity as a “public officer” engaged in a “trade or business”. This person is a “trustee” of a Social Security Trust that is domiciled on federal territory in the District of Columbia. Pursuant to [Federal Rule of Civil Procedure 17\(b\)](#), [26 U.S.C. §7701\(a\)\(39\)](#), and [26 U.S.C. §7408\(d\)](#). Your effective domicile under the terms of the Social Security Franchise Agreement as an “agent” acting in a representative capacity for the “trust” that it creates then becomes federal territory, regardless of where you physically live, because domicile is where you WANT to live and HAVE lived in the past, not where you present live, and it is affected by who you are representing under the franchise agreement.
6. You consented to the jurisdiction of the federal courts to supervise and administer the benefit for all.
7. You implicitly agreed to waive all rights that might otherwise have been injured in complying with the obligations arising out of the program:

*“The Government urges that **the Power Company is estopped to question the validity of the Act creating the Tennessee Valley Authority**, and hence that the stockholders, suing in the right of the corporation, cannot [297 U.S. 323] maintain this suit. .... The principle is invoked that one who accepts the benefit of a statute cannot be heard to question its constitutionality. **Great Falls Manufacturing Co. v. Attorney General, 124 U.S. 581; Wall v. Parrot Silver & Copper Co., 244 U.S. 407; St. Louis Casting Co. v. Prendergast Construction Co., 260 U.S. 469.**”*  
[Ashwander v. Tennessee Valley Auth., 297 U.S. 288 (1936)]

*“...when a State willingly accepts a substantial benefit from the Federal Government, it waives its immunity under the Eleventh Amendment and consents to suit by the intended beneficiaries of that federal assistance.”*  
[Papasan v. Allain, 478 U.S. 265 (1986)]

Use of a Social Security Number, in most cases, is all the evidence that the courts will usually need in order to conclude that you “voluntarily consent” to participate in the program. Consequently, either using an SSN or TIN or allowing others to use one against you without objecting constitutes what the courts would say is “prima facie evidence of consent” to be bound by the Social Security Act as well as all the provisions of the Internal Revenue Code, Subtitle A. These two “codes” form the essence of a “federal employment agreement” or “contract”, which all who receive government benefits become bound by. In essence, failure to deny evidence of consent creates a presumption of consent. This process is described in the legal field by the following names and you can also find it in Federal Rule of Civil Procedure 8(b)(6), which says that a failure to deny constitutes an admission for the purposes of meeting the burden of proving a fact:

1. Implied consent.
2. Constructive consent.
3. Tacit procuration.

*“Procuration.. Agency; proxy; the act of constituting another one's attorney in fact. The act by which one person gives power to another to act in his place, as he could do himself. Action under a power of attorney or other constitution of agency. Indorsing a bill or note “by procuration” is doing it as proxy for another or by his authority. The use of the word procuration (usually, per procuratione, or abbreviated to per proc. or p. p.) on a promissory note by an agent is notice that the agent has but a limited authority to sign.*

*An express procuration is one made by the express consent of the parties. An implied or tacit procuration takes place when an individual sees another managing his affairs and does not interfere to prevent it. Procurations are also divided into those which contain absolute power, or a general authority, and those which give only a limited power. Also, the act or offence of procuring women for lewd purposes. See also Proctor.”*  
[Black's Law Dictionary, Fifth Edition, pp. 1086-1087]

Notice the above phrase “act or offense of procuring women for lewd purposes”. This describes basically the act of hiring a WHORE, and that is EXACTLY what you become if condone or allow the government do this to you, folks! This fact explains EXACTLY who Babylon the Great Harlot is as described in the Bible Book of Revelation. Babylon the Great Harlot is a symbol or metaphor for all those who are willing to trade their virtue, allegiance, or control over their property or liberty over to a government in exchange for a life of pleasure, ignorance, luxury, and irresponsibility. She is fornicating with “The Beast”, which is described in Revelation 19:19 as “the kings of the earth”, who today are our modern corrupted political rulers.

4. Retraxit by tacit procuration. This is where you withdraw your standing to claim rights in any matter as Plaintiff.

*“Retraxit. Lat. He has withdrawn. A retraxit is a voluntary renunciation by plaintiff in open court of his suit and cause thereof, and by it plaintiff forever loses his action. Virginia Concrete Co. v. Board of Sup'rs of Fairfax County, 197 Va. 821, 91 S.E.2d 415, 419. It is equivalent to a verdict and judgment on the merits of the case and bars another suit for the same cause between the same parties. Datta v. Staab, 343 P.2d 977, 982, 173 C.A.2d 613. Under rules practice, this is accomplished by a voluntary dismissal. Fed.R.Civi1 P. 41(a).”*

The courts won't document and will vociferously avoid explaining or justifying these prejudicial presumptions about the use of government identifying numbers because if they did, then you would understand where their jurisdiction derives and withdraw yourself from it and destroy the only source of their jurisdiction. The courts also know that all "presumption" is a violation of due process that is unconstitutional if it undermines your Constitutional rights so they will never call it what it is because it will destroy most of their authority and importance. This is exhaustively explained in the following pamphlet:

Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction, Form #05.017  
<http://sedm.org/Forms/FormIndex.htm>

Therefore, the above is just something you have to know and practical experience has taught us that this is the truth. If you would like to learn more about how the above process is used to lawfully deceive and enslave the legally ignorant and unsuspecting American "sheep" public at large, read the following fascinating and very enlightening document:

Resignation of Compelled Social Security Trustee, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>

Courts are not reluctant at all to recognize the principle of sovereign immunity in the context of foreign governments whose existence they officially recognize. They must do this because if they don't, they won't get any cooperation from these governments, which they frequently need in dealing with international problems. However, they are frequently *much less willing* to recognize the equally inherent and divinely inspired sovereignty of human beings because they don't want to interfere with their ability to con these people or entities into volunteering for their commercial insurance, license, franchise, and other scams described above. Earlier courts, however, were much more honorable and therefore willing to recognize this inherent sovereignty of human beings. Below is one often quoted example used within the freedom community:

*"The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private business in his own way. His power to contract is unlimited. He owes no duty to the State or to his neighbor to divulge his business, or to open his doors to an investigation, so far as it may tend to criminate him. He owes no such duty to the State, since he receives nothing therefrom, beyond the protection of his life and property. His rights are such as existed by the law of the land long antecedent to the organization of the State, and can only be taken from him by due process of law, and in accordance with the Constitution. Among his rights are a refusal to incriminate himself, and the immunity of himself and his property from arrest or seizure except under a warrant of the law. He owes nothing to the public so long as he does not trespass upon their rights."*  
[Hale v. Henkel, 201 U.S. 43, 74 (1906)]

Because the courts are self-interestedly engaging in a refusal to recognize the sovereignty and sovereign immunity of We the People as human beings, sometimes we have to twist their arms by using some of the following principles as the equivalent of "legal rhetoric", which principles are both rational and indisputable by all but possibly insane or STUPID people:

1. In the United States, ALL sovereignty resides not in the government, but in the people.

*"There is no such thing as a power of inherent sovereignty in the government of the United States...In this country sovereignty resides in the people, and Congress can exercise no power which they have not, by their Constitution entrusted to it. All else is withheld."*  
[Juilliard v. Greenman, 110 U.S. 421 (1884): ]

*"In the United States, sovereignty resides in the people...the Congress cannot invoke sovereign power of the People to override their will as thus declared."*  
[Perry v. U.S., 294 U.S. 330 (1935)]

2. All powers of the federal and state governments derive from and are delegated by We the People through our state and federal constitutions.

*"Sovereignty itself is, of course, not subject to law, for it is the author and source of law...While sovereign powers are delegated to...the government, sovereignty itself remains with the people."*  
[Yick Wo v. Hopkins, 118 U.S. 356 (1886): ]

*"... The governments are but trustees acting under derived authority and have no power to delegate what is not*

1 delegated to them. But the people, as the original fountain might take away what they have delegated and  
2 intrust to whom they please. ...The sovereignty in every state resides in the people of the state and they may  
3 alter and change their form of government at their own pleasure."  
4 [Luther v. Borden, 48 U.S. 1, 12 LEd 581 (1849)]

- 5 3. Every species of legislative power and authority that the government possesses is therefore explicitly delegated to it by  
6 We the People. All those powers not expressly delegated to the federal government are reserved to the states and the  
7 people by the Ninth and Tenth Amendments. This concept is called "enumerated powers" by the courts.  
8 4. The People cannot delegate an authority that they themselves do not inherently possess.

9 "Derivativa potestas non potest esse major primitive."<sup>6</sup>  
10 The power which is derived cannot be greater than that from which it is derived."  
11 [Bouvier's Law Dictionary Unabridged, 8<sup>th</sup> Edition, pg. 2131]

12 "Quod per me non possum, nec per alium..."<sup>7</sup>  
13 What I cannot do in person, I cannot do through the agency of another."  
14 [Bouvier's Law Dictionary Unabridged, 8<sup>th</sup> Edition, pg. 2159]

- 15 5. The method by which people voluntarily delegate their authority is by choosing a domicile within the state or  
16 government and thereby nominating a "protector" who now has a legal right to enforce the payment of "tribute" or  
17 "protection money" in order to sustain the protection that was asked for.  
18 6. Those who have not nominated a protector by voluntarily choosing a domicile within the state thereby reserve ALL  
19 their natural rights.  
20 7. Since governments inherently possess "sovereign immunity", then We the People must also possess that authority,  
21 because the government cannot have any authority that the people did not, but their Constitution and their choice of  
22 domicile, delegate to it.  
23 8. The foundation of the Constitution is the notion of equal protection of the law, whereby all are equal under the law.  
24 This concept is documented, for instance, in section 1 of the Fourteenth Amendment. This notion carries with it the  
25 requirement that every "person" has equal rights under the law:  
26 8.1. The only way that rights can be "unequal" within any given population is for you to consensually give up some of  
27 them, for instance, by procuring some government "privilege".  
28 8.2. If the government is treating you differently than someone else, by, for instance, making you pay more money for  
29 the same service that someone else is paying for, then it is engaging in unequal protection. Therefore, it is safe to  
30 conclude that this service has nothing to do with protection and is a private, for-profit government business not  
31 authorized by the Constitution.

32 If you would like to learn more about the above summation, we enthusiastically endorse the following excellent FREE  
33 electronic book which exhaustively and constitutionally analyzes all of these concepts:

Treatise on Government, Joel Tiffany  
<http://famguardian.org/Publications/TreatiseOnGovernment/TreatOnGovt.pdf>

34 The notion of sovereign immunity also provides a way to explain how the principle of federalism works, as we described it  
35 in the previous section:

- 36 1. States of the Union qualify as "foreign states" and "foreign sovereigns" in relation to the federal government.  
37 2. "Citizens" and municipalities within these foreign states" and "foreign sovereigns" may be described as  
38 "instrumentalities of a foreign state", by virtue of the fact that they directly administer the affairs of the foreign state  
39 they occupy as voters and jurists and "taxpayers".

40 TITLE 28 > PART IV > CHAPTER 97 > § 1603  
41 § 1603. Definitions

42 For purposes of this chapter—

43 (a) A "foreign state", except as used in section 1608 of this title, includes a political subdivision of a foreign

<sup>6</sup> Wing. Max. 36: Pinch. Law, b. 1. c. 3, p. 11.

<sup>7</sup> 4 Co. 24 b: 11 id. 87 a.



state or an agency or instrumentality of a foreign state as defined in subsection (b).

(b) An "agency or instrumentality of a foreign state" means any entity—

(1) which is a separate legal person, corporate or otherwise, and

(2) which is an organ of a foreign state or political subdivision thereof, or a majority of whose shares or other ownership interest is owned by a foreign state or political subdivision thereof, and

(3) which is neither a citizen of a State of the United States as defined in section 1332 (c) and (d) of this title, nor created under the laws of any third country.

3. The Supreme Court recognized how "citizens" administer the government they created and continue to sustain with their tax dollars and as voters and jurists when they said:

"The words 'people of the United States' and 'citizens,' are synonymous terms, and mean the same thing. **They both describe the political body who, according to our republican institutions, form the sovereignty, and who hold the power and conduct the government through their representatives.** They are what we familiarly call the 'sovereign people,' and every citizen is one of this people, and a constituent member of this sovereignty. ..."

[*Boyd v. State of Nebraska*, 143 U.S. 135 (1892)]

4. When these "foreign states" and "foreign sovereigns" wish to cooperate in achieving a common goal, they may voluntarily band together and under the principles of "comity", may enact laws prescribing and recognizing these international agreements:

"comity. Courtesy; complaisance; respect; a willingness to grant a privilege, not as a matter of right, but out of deference and good will. Recognition that one sovereignty allows within its territory to the legislative, executive, or judicial act of another sovereignty, having due regard to rights of its own citizens. *Nowell v. Nowell*, Tex.Civ.App., 408 S.W.2d 550, 553. In general, principle of "comity" is that courts of one state or jurisdiction will give effect to laws and judicial decisions of another state or jurisdiction, not as a matter of obligation, but out of deference and mutual respect. *Brown v. Babbitt Ford, Inc.*, 117 Ariz. 192, 571 P.2d 689, 695. See also Full faith and credit clause."

[*Black's Law Dictionary*, Sixth Edition, p. 267]

5. Federalism simply describes the principle whereby:

5.1. No one of these co-equal sovereign and foreign states may exercise legislative jurisdiction within the borders of a fellow foreign state.

5.2. When jurisdiction is asserted within one of these states by the federal government, then explicit proof of consent must be produced in some form in order for the courts to enforce the legal rights or activities that it is regulating or administering. This is consistent with item 28 U.S.C. §1605(b)(1) within the Foreign Sovereign Immunities Act, which says that states may surrender their sovereign immunity by their consent.

5.3. The consent required to be demonstrated under the principles of federalism can be either explicit (in writing or by legislative enactment) or implicit (by their conduct). For example, when a foreign state of the Union engages in interstate commerce, it is "presumed" pursuant to Article 1, Section 8, Clause 3 of the constitution to have "consented" to the jurisdiction of the federal government to regulate said commerce and to obey all enactments of Congress which might lawfully regulate said commerce. Here is how the U.S. Supreme Court described this concept:

"Recognition of the congressional power to render a State suable under the FELA does not mean that the immunity doctrine, as embodied in the Eleventh Amendment with respect to citizens of other States and as extended to the State's own citizens by the *Hans* case, is here being overridden. It remains the law that a State may not be sued by an individual without its consent. **Our conclusion is simply that Alabama, when it began operation of an interstate railroad approximately 20 years after enactment of the FELA, necessarily consented to such suit as was authorized by that Act.** By adopting and ratifying the Commerce Clause, the States empowered Congress to create such a right of action against interstate railroads; by enacting the FELA in the exercise of this power, Congress conditioned the right to operate a railroad in interstate commerce upon amenability to suit in federal court as provided by the Act; by thereafter operating a railroad in interstate commerce, Alabama must be taken to have accepted that condition and thus to have consented to suit."

[*Parden v. Terminal R. Co.*, 377 U.S. 184 (1964)]

## 14 Tax Liability and Responsibilities of Nonresident Aliens

We assembled the table below to succinctly summarize the tax situation of nonresident aliens to help you better understand the benefits of becoming a nonresident alien. It is important to point out that:

1. The duty to file returns is found in 26 CFR §1.6012-1(b) and is imposed on "nonresident alien individuals" but NOT

upon “nonresidents” who are not “individuals” (aliens). Therefore, those who are “non-citizen nationals” but not aliens pursuant to 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452, which includes Americans born within states of the Union and domiciled there, do not have a requirement to file a return.

2. ALL of these duties pertain ONLY to those who are “nonresident alien individuals”.

3. The term “nonresident alien” is used instead of “nonresident alien individual” when they are trying to exclude or exempt something.

4. Those places where “nonresident alien individuals” exclude “nonresident aliens” who re not “individuals”, meaning aliens as defined in 26 CFR §1.1441-1(c)(3):

*"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that **the expression of one thing is the exclusion of another**, Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d 321, 325; Newblock v. Bowles, 170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred.** Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded."  
[Black's Law Dictionary, Sixth Edition, p. 581]*

1 **Table 8: Tax Liability and Responsibilities of Nonresident Alien**

| # | Right/responsibility   | Applicable authorities and guidance   | Text of authorities(s)  | Explanation   |
|---|--|---|---|---|
| 1 | Only federal employees or those engaged in a “public office” or “trade or business” make “wages”, but nonresident aliens don’t   | <a href="#">26 U.S.C. §3401</a><br>26 CFR § 31.3401(c)-definition of “employee” | (a) For the purposes of this chapter, the term wages means all remuneration (other than fees paid to a public official) for services performed by an employee [a person engaged in a “public office”] to his employer...except that such term shall <b>not</b> include remuneration for:<br>(6) such services, performed by a <b>nonresident alien individual</b> .   | See <a href="#">26 U.S.C. §3401</a> (a)(6) and 26 CFR §31.3401(a)(6)-1.   |
| 2 | Do not need to file returns  | <a href="#">26 U.S.C. §6012</a> (1954 Code)(a)                                  | Returns with respect to income taxes under subtitle A...(5) ... <b>nonresident alien individuals</b> not subject to the tax imposed by §871...may be exempted from the requirement to making returns.   | Later versions of IRC section 6012 deliberately add more indirection and confusion to the explanation of the requirement to file by saying that those having “gross income” not exceeding the exemption amount plus the standard deduction don’t need to file. Congress used the term “gross income” instead of “taxable income” to make the situation even more difficult for the average person to figure out. Earlier versions of the code were much clearer and much more honest. |
| 3 | Only “nonresident alien individuals” have to file returns. Those who are “nonresident aliens” but not individuals, such as those born within and domiciled within a state of the Union, do not have to file returns. | 26 CFR §1.6012-1(b)   | (b) Return of <b>nonresident alien individual</b> —<br>(1) Requirement of return—<br>(i) In general. Except as otherwise provided in subparagraph (2) of this paragraph, every <b>nonresident alien individual</b> (other than one treated as a resident under section 6013 (g) or (h)) <b>who is engaged in trade or business in the United States at any time during the taxable year or who has income which is subject to taxation under subtitle A of the Code shall make a return on Form 1040NR</b> . For this purpose it is immaterial that the gross income for the taxable year is less than the minimum amount specified in section 6012(a) for making a return. Thus, a nonresident alien individual who is engaged in a trade or business in the United States at any time during the taxable year is required to file a return on Form 1040 NR even though (a) he has no income which is effectively connected with the conduct of a trade or business in the United States, (b) he has no income from sources within the United States, or (c) his income is exempt from income tax by reason of an income tax | “Nonresident aliens” who are not “individuals” (aliens) are do not have a requirement, based on the regulation to the left. <b>Expressio unius est exclusio alterius</b> .  |



| # | Right/responsibility  | Applicable authorities and guidance | Text of authorities(s)  | Explanation   |
|---|---|-------------------------------------|---|---|
|   |   |                                     | convention or any section of the Code. However, if the nonresident alien individual has no gross income for the taxable year, he is not required to complete the return schedules but must attach a statement to the return indicating the nature of any exclusions claimed and the amount of such exclusions to the extent such amounts are readily determinable.  |   |
| 4 | Income from the 50 Union states is <u>not</u> subject to withholding and need not file returns. | 26 CFR § 1.1441-3(a)                | Exceptions and rules of special application.<br><br>(a) Income from sources without the United States.—“to extent that items of income constitute gross <b><u>income from sources without the United States</u></b> , they are <b><u>not subject to withholding.</u></b> ”  | Not subject to tax withholding imposed by <a href="#">26 U.S.C. §871</a> .  |
| 5 | Are not required to have a Taxpayer ID Number unless they have taxable income.                  | 26 CFR § 301.6109-1(g)              | 26 CFR §301.6109-1(b)(2) Foreign persons. The provisions of paragraph (b)(1) of this section regarding the furnishing of one's own number shall apply to the following foreign persons--<br>(i) A foreign person that has income effectively connected with the conduct of a U.S. trade or business at any time during the taxable year;<br>(ii) A foreign person that has a U.S. office or place of business or a U.S. fiscal or paying agent at any time during the taxable year;<br>(iii) A <b><u>nonresident alien</u></b> treated as a resident under section 6013(g) or (h);<br>(iv) A foreign person that makes a return of tax (including income, estate, and gift tax returns), an amended return, or a refund claim under this title but excluding information returns, statements, or documents;<br>(v) A foreign person that makes an election under Sec. 301.7701-3(c); and<br>(vi) A foreign person that furnishes a withholding certificate described in Sec. 1.1441-1(e)(2) or (3) of this chapter or Sec. 1.1441-5(c)(2)(iv) or (3)(iii) of this chapter to the extent required under Sec. 1.1441-1(e)(4)(vii) of this chapter.<br>...<br>(g) Special rules for taxpayer identifying numbers issued to foreign persons--(1) General rule--(i) Social security number. <b><u>A social security number is generally identified in the records and database of the Internal Revenue Service as a number belonging to a U.S. citizen or resident alien individual. A person may establish a different status for the number by providing proof of foreign status with the Internal Revenue Service under</u></b> | Can change their SSN status into “nonresident alien” by filing W-8 with the IRS if they already have an SSN. If they don’t have an SSN and/or if they get a Taxpayer Identification Number (TIN) from the IRS instead, then this is evidence of their nonresident alien status. |

### Nonresident Alien Position

| # | Right/responsibility | Applicable authorities and guidance | Text of authorities(s)   | Explanation |
|---|----------------------|-------------------------------------|--|-------------|
|   |                      |                                     | <p><u>such procedures as the Internal Revenue Service shall prescribe, including the use of a form as the Internal Revenue Service may specify. Upon accepting an individual as a nonresident alien individual, the Internal Revenue Service will assign this status to the individual's social security number.</u></p> <p>(ii) Employer identification number. An employer identification number is generally identified in the records and database of the Internal Revenue Service as a number belonging to a U.S. person. However, the Internal Revenue Service may establish a separate class of employer identification numbers solely dedicated to foreign persons which will be identified as such in the records and database of the Internal Revenue Service. A person may establish a different status for the number either at the time of application or subsequently by providing proof of U.S. or foreign status with the Internal Revenue Service under such procedures as the Internal Revenue Service shall prescribe, including the use of a form as the Internal Revenue Service may specify. The Internal Revenue Service may require a person to apply for the type of employer identification number that reflects the status of that person as a U.S. or foreign person.</p> <p>(iii) IRS individual taxpayer identification number. An IRS individual taxpayer identification number is generally identified in the records and database of the Internal Revenue Service as a number belonging to a <b><u>nonresident alien individual</u></b>. If the Internal Revenue Service determines at the time of application or subsequently, that an individual is not a <b><u>nonresident alien individual</u></b>, the Internal Revenue Service may require that the individual apply for a social security number. If a social security number is not available, the Internal Revenue Service may accept that the individual use an IRS individual taxpayer identification number, which the Internal Revenue Service will identify as a number belonging to a U.S. resident alien.</p> <p>(2) Change of foreign status. Once a taxpayer identifying number is identified in the records and database of the Internal Revenue Service as a number belonging to a U.S. or foreign person, the status of the number is permanent until the circumstances of the taxpayer change. A taxpayer whose status changes (for example, a <b><u>nonresident alien individual</u></b> with a social security number becomes a U.S. resident alien) must notify the Internal Revenue Service of the change of status under such procedures as the Internal</p> |             |

| # | Right/responsibility  | Applicable authorities and guidance   | Text of authorities(s)  | Explanation   |
|---|---|---|---|---|
|   |   |   | Revenue Service shall prescribe, including the use of a form as the Internal Revenue Service may specify.   |   |
| 6 | File a W-8BEN "Certificate of Foreign Status" with employer instead of a W-4, and do so every three years. Do NOT submit the form to the IRS. | See IRS Publication 515.<br>See:<br><a href="http://sedm.org/ItemInfo/RespLtrs/W-8BEN/AboutIRSFormW-8BEN.htm">http://sedm.org/ItemInfo/RespLtrs/W-8BEN/AboutIRSFormW-8BEN.htm</a> | The W-8 form says:<br>"Use Form W-8 or a substitute form containing a substantially similar statement to the payer.. that you are a <b>nonresident alien individual</b> , foreign entity, or exempt foreign person not subject to certain U.S. information return reporting or backup withholding rules." | The <a href="#">W-8 or W-8BEN form</a> should also be used to open a bank account. If you have a W-8 bank account, no taxes can ever be withheld and, without a Social Security Numbered account, the IRS and other arms of the federal government have NO AUTHORITY to ever seize any of your funds.<br><br><b>WARNING:</b> DO NOT file an <a href="#">IRS W-8BEN</a> because the instruction for the form define a "BENEFICIAL OWNER" as someone who is "required under U.S. tax principles to include the income in gross income on a tax return", which is clearly NOT the case! Since nonresident aliens don't have to file returns or pay taxes, then admitting to being a "beneficial owner" admits to being a citizen who is a taxpayer who has to file and pay tax, which most nonresident aliens are <i>not</i> . Instead, you should create your own substitute <a href="#">W-8BEN form</a> that redefines "beneficial owner" or use the older <a href="#">W-8 form</a> as described in section 6.4.9 of the <i>Great IRS Hoax, Form #11.302</i> . There is a substitute <a href="#">W-8BEN form</a> that has been "defanged" on the Family Guardian website, under "Sovereignty Forms and Instructions Online, Form #10.004". |
| 7 | Exempt from self-employment taxes   | <a href="#">26 U.S.C. §1402(b)</a><br><br>26 CFR § 1.1402(b)-1(a)   | SELF EMPLOYMENT INCOME—The term "self employment income" means the earnings from self-employment derived by an individual, <b>other than an individual...</b><br><br><b>"Nonresident aliens. A nonresident alien individual never has self-employment income."</b>  |   |
| 8 | Must file Affidavit of  | 8 Fed. Register Pg. 12266   |   |   |

### Nonresident Alien Position

Copyright Sovereignty Education and Defense Ministry, <http://sedm.org>  
Form 05.020, Rev. 9-20-2009

124 of 327

EXHIBIT: \_\_\_\_\_



| #  | Right/responsibility   | Applicable authorities and guidance   | Text of authorities(s)  | Explanation   |
|----|--|---|---|---|
|    | Citizenship and Domicile with Employer   | §404.102(g)   |   |   |
| 9  | Must file with employer an IRS Form 6450-Questionnaire to Determine Exemption from Withholding.                                      |   |   | IRS will tell employer not to honor your W-8 or W-8BEN form if you don't, even though they have no legal authority to do so.  |
| 10 | Must file a state Exemption from Withholding form  |   |   | In California, this is an FTB form 590. Don't use the W-4 Exempt!   |
| 11 | Do not file tax returns in their local service center, but instead send them to the International Service Center in Philadelphia, PA | <a href="#">26 U.S.C. §6091</a> (b)(1)(B)(iv)   | <p>TITLE 26 - INTERNAL REVENUE CODE<br/> Subtitle F - Procedure and Administration<br/> CHAPTER 61 - INFORMATION AND RETURNS<br/> Subchapter A - Returns and Records<br/> PART VII - PLACE FOR FILING RETURNS OR OTHER DOCUMENTS</p> <p>Sec. 6091. Place for filing returns or other documents</p> <p>(b) Tax returns<br/> (1) Persons other than corporations<br/> (B) Exception<br/> Returns of -<br/> (iv) nonresident alien persons,</p>  | See <a href="http://www.irs.gov/file/article/0,,id=105045,00.html">http://www.irs.gov/file/article/0,,id=105045,00.html</a>   |
| 12 | May not litigate against the federal government in a District Court. Instead can <u>only</u> litigate in the Court of Claims         | Internal Revenue Manual, section 35.18.10.1. See: <a href="http://www.irs.gov/irm/part35/ch18s09.html">http://www.irs.gov/irm/part35/ch18s09.html</a> | <p>Internal Revenue Manual<br/> 35.18.10.1 (08-31-1982) District Courts</p> <p>1. Section 1402(a)(1) of the Judicial Code (28 U.S.C. §1402(a)(1)) provides that if an action is brought against the United States under section 1346(a) of the Judicial Code by an entity other than a corporation, it must be brought in the judicial district where the plaintiff resides. Accordingly, where an individual resides outside of the [federal] United States (e.g., a nonresident alien), he or she may not bring a refund suit in a district court. <i>Malajalian v. United States</i>, 504 F.2d 842 (1st Cir. 1974). These cases may be brought only in the Court</p> | Although this IRM section only mentions refund lawsuits, technically, it applies to all other lawsuits relating to income taxes improperly enforced against nonresident aliens. |

| #  | Right/responsibility  | Applicable authorities and guidance           | Text of authorities(s)  | Explanation   |
|----|---|---|---|---|
| 13 | Do not have to report dividend payments greater than \$10   | 26 U.S.C. §6042(b)(2)(A)(ii)                  | <p>of Claims.</p> <p>(2) Exceptions</p> <p>For purposes of this section, the term "dividend" does not include any distribution or payment -</p> <p>(A) to the extent provided in regulations prescribed by the Secretary -</p> <p>[. . .]</p> <p>(ii) to a foreign corporation, a <b><i>nonresident alien</i></b>, or a partnership not engaged in a trade or business in the United States and composed in whole or in part of nonresident aliens, or</p>  |   |
| 14 | Are only entitled to one withholding exemption if subject to withholding  | 26 U.S.C. §3402(f)(6)<br>26 U.S.C. §873(b)(3) | <p>(f) Withholding exemptions</p> <p>(6) Exemption of certain nonresident aliens</p> <p>Notwithstanding the provisions of paragraph (1), a <b><i>nonresident alien individual</i></b> (other than an individual described in section 3401(a)(6)(A) or (B)) shall be entitled to only one withholding exemption.</p>   | Such withholding only applies to income from federal territory of a foreign corporation that is not effectively connected with a trade or business.       |
| 15 | May not take any deductions on their return except on income that is effectively connected with a trade or business | 26 U.S.C. §873(a)                             | <p>(a) General rule</p> <p>In the case of a <b><i>nonresident alien individual</i></b>, the deductions shall be allowed only for purposes of section 871 (b) and (except as provided by subsection (b)) only if and to the extent that they are connected with income which is effectively connected with the conduct of a trade or business within the United States; and the proper apportionment and allocation of the deductions for this purpose shall be determined as provided in regulations prescribed by the Secretary.</p> | The taxable activity is a "trade or business", which is a public office in the U.S. government or that of a territory or possession of the United States. |
| 16 | Does not have to pay income tax on payments received  | 26 U.S.C. §872(b)(3)(A)                       | (3) Compensation of participants in certain exchange or training programs   | Exchange students from states of the Union or foreign countries in the "United  |

### Nonresident Alien Position

| #  | Right/responsibility   | Applicable authorities and guidance | Text of authorities(s)  | Explanation                            |
|----|--|-------------------------------------|---|--|
|    | from an exchange or training program while temporarily present in federal territory  |                                     | Compensation paid by a foreign employer to a <b><u>nonresident alien individual</u></b> for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F), (J), or (Q) of section 101(a)(15) of the Immigration and Nationality Act, as amended. For purposes of this paragraph, the term "foreign employer" means -<br>(A) a <b><u>nonresident alien individual</u></b> , foreign partnership, or foreign corporation, or   | States*** federal territory are exempt |
| 17 | May elect to file a 1040 instead of a 1040NR and be treated as an "alien"/"resident" instead of a "nonresident alien" if married to a "U.S. citizen" | 26 U.S.C. §6013(g)                  | (g) Election to treat <b><u>nonresident alien individual</u></b> as resident of the United States<br>(1) In general<br>A <b><u>nonresident alien individual</u></b> with respect to whom this subsection is in effect for the taxable year shall be treated as a resident of the United States -<br>(A) for purposes of chapter 1 for all of such taxable year, and<br>(B) for purposes of chapter 24 (relating to wage withholding) for payments of wages made during such taxable year.<br>(2) Individuals with respect to whom this subsection is in effect<br>This subsection shall be in effect with respect to any individual who, at the close of the taxable year for which an election under this subsection was made, was a <b><u>nonresident alien individual</u></b> married to a citizen or resident of the United States, if both of them made such election to have the benefits of this subsection apply to them. | This is a BAD idea.                    |
| 18 | May not be treated as an "employee" if had no earnings from the "United States***" federal territory   | 26 U.S.C. §414 (q)(8)               | (8) Special rule for nonresident aliens<br><br>For purposes of this subsection and subsection (r), employees who are nonresident aliens and who receive no earned income (within the meaning of section 911(d)(2)) from the employer which constitutes income from  | Yeah!                                  |



| #  | Right/responsibility   | Applicable authorities and guidance | Text of authorities(s)  | Explanation  |
|----|--|-------------------------------------|---|--|
|    |  |                                     | sources within the United States (within the meaning of section 861(a)(3)) shall not be treated as employees.   |  |
| 19 | Distributions by a Foreign Sales Corporation to a nonresident alien is treated as “effectively connected to a trade or business from sources within the United States” | 26 U.S.C. §926(b)                   | (b) Distributions by FSC to nonresident aliens and foreign corporations treated as United States connected<br>For purposes of this title, any distribution by a FSC which is made out of earnings and profits attributable to foreign trade income to any shareholder of such corporation which is a foreign corporation or a <b>nonresident alien individual</b> shall be treated as a distribution -<br>(1) which is effectively connected with the conduct of a trade or business conducted through a permanent establishment of such shareholder within the United States, and<br>(2) of income which is derived from sources within the United States. | Essentially, this treats income from a foreign sales corporation as being from the “United States**” federal territory, which isn’t true in most cases, because most of the companies are in states of the Union and NOT federal territory.  |
| 20 | Cannot take earned income credit unless elects to be treated as an “alien” or “resident” in the “United States” federal territory                                      | 26 U.S.C. §32(c )(1)(E)             | (E) Limitation on eligibility of nonresident aliens<br>The term "eligible individual" shall not include any individual who is a <b>nonresident alien individual</b> for any portion of the taxable year unless such individual is treated for such taxable year as a resident of the United States for purposes of this chapter by reason of an election under subsection (g) or (h) of section 6013.   | This is exploitation of the ignorant, by telling those who don’t realize they are nontaxpayers that they can reduce their tax bill by claiming they are resident in the “United States**” federal territory, where EVERYONE is engaged in a taxable activity called a “trade or business” under 26 U.S.C. §864(c )(3). ENTRAPMENT! |
| 21 | May elect to treat real property as connected with a “trade or business”   | 26 U.S.C. §871(d)(1)                | (d) Election to treat real property income as income connected with United States business<br>(1) In general<br>A <b>nonresident alien individual</b> who during the taxable year derives any income -<br>(A) from real property held for the production of income and located in the United States, or from any interest in such real property, including (i) gains from the sale or exchange of such real property or an interest therein, (ii) rents or royalties from   | Bad idea! Making nontaxpayers into taxpayers again.  |

### Nonresident Alien Position

| #  | Right/responsibility   | Applicable authorities and guidance | Text of authorities(s)   | Explanation |
|----|--|-------------------------------------|--|-------------|
|    |  |                                     | <p>mines, wells, or other natural deposits, and (iii) gains described in section 631(b) or (c), and</p> <p>(B) which, but for this subsection, would not be treated as income which is effectively connected with the conduct of a trade or business within the United States, may elect for such taxable year to treat all such income as income which is effectively connected with the conduct of a trade or business within the United States. In such case, such income shall be taxable as provided in subsection (b)(1) whether or not such individual is engaged in trade or business within the United States during the taxable year. An election under this paragraph for any taxable year shall remain in effect for all subsequent taxable years, except that it may be revoked with the consent of the Secretary with respect to any taxable year.</p> |             |
| 22 | Must pay taxes on income from real property investments in the "United States" federal territory   | 26 U.S.C. §897(a)(1)(A)             | <p>(a) General rule</p> <p>(1) Treatment as effectively connected with United States trade or business</p> <p>For purposes of this title, gain or loss of a <b><u>nonresident alien individual</u></b> or a foreign corporation from the disposition of a United States real property interest shall be taken into account -</p> <p>(A) in the case of a <b><u>nonresident alien individual</u></b>, under section 871(B)(1), or</p>   |             |
| 23 | Transfers of property from foreign trust or estate to a nonresident alien does not need to be treated as a sale or exchange of a fair market value | 26 U.S.C. §684(b)(2)                | <p>(a) In general</p> <p>Except as provided in regulations, in the case of any transfer of property by a United States person to a foreign estate or trust or to a <b><u>nonresident alien</u></b>, for purposes of this subtitle, such transfer shall be treated as a sale or exchange for an amount equal to the fair market value of the property transferred, and the</p>  | Yeah!       |

| # | Right/responsibility | Applicable authorities and guidance | Text of authorities(s)  | Explanation |
|---|----------------------|-------------------------------------|---|-------------|
|   |                      |                                     | <p>transferor shall recognize as gain the excess of--</p> <p>(1) the fair market value of the property so transferred, over</p> <p>(2) the adjusted basis (for purposes of determining gain) of such property in the hands of the transferor.</p> <p>(b) Exceptions</p> <p>(1) Transfers to certain trusts<br/>Subsection (a) shall not apply to a transfer to a trust by a United States person to the extent that any United States person is treated as the owner of such trust under section 671.</p> <p>(2) Lifetime transfers to <b><u>nonresident aliens</u></b><br/>Subsection (a) shall not apply to a lifetime transfer to a <b><u>nonresident alien</u></b>.</p> |             |



## 15 Taxable “income” of Nonresident Aliens

### 15.1 What is statutory “income”?

Taxable income of nonresident aliens is identified in 26 U.S.C. §871. The entire section deals ONLY with “income” from sources within the “United States”, meaning the United States government and not the geographical “United States” pursuant to 26 U.S.C. §7701(a)(9) and (a)(10). Those engaging in federal franchises such as a “trade or business” are considered to be “within the United States” (government), because they are public officers acting in a representative capacity pursuant to Fed.R.Civ.Proc. 17(b). Earnings outside the “United States” are expressly excluded pursuant to [26 U.S.C. §864\(b\)\(1\)\(A\)](#), [26 U.S.C. §861\(a\)\(3\)\(C\)\(i\)](#), [26 U.S.C. §3401\(a\)\(6\)](#), [26 U.S.C. §1402\(b\)](#) .

We must also emphasize that this section describes “income” and NOT “all earnings”. The term “income” is then defined below as the earnings of an estate or trust and not a human being.

[TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter J > PART I > Subpart A > § 643](#)  
[§ 643. Definitions applicable to subparts A, B, C, and D](#)

#### **(b) Income**

*For purposes of this subpart and subparts B, C, and D, the term “income”, when not preceded by the words “taxable”, “distributable net”, “undistributed net”, or “gross”, means the amount of income of the estate or trust for the taxable year determined under the terms of the governing instrument and applicable local law. Items of gross income constituting extraordinary dividends or taxable stock dividends which the fiduciary, acting in good faith, determines to be allocable to corpus under the terms of the governing instrument and applicable local law shall not be considered income.*

The trust they are talking about can only mean the “public trust”, meaning the government once again. The only thing the government can lawfully regulate is PUBLIC conduct, not PRIVATE conduct. The ability to regulate PRIVATE conduct, according to the U.S. Supreme Court, is “repugnant to the Constitution”:

TITLE 5--ADMINISTRATIVE PERSONNEL  
CHAPTER XVI--OFFICE OF GOVERNMENT ETHICS  
PART 2635--STANDARDS OF ETHICAL CONDUCT FOR EMPLOYEES OF THE EXECUTIVE BRANCH--  
Table of Contents  
Subpart A--General Provisions  
Sec. 2635.101 Basic obligation of public service.

*(a) **Public service is a public trust.** Each employee has a responsibility to the United States Government and its citizens to place loyalty to the Constitution, laws and ethical principles above private gain. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each employee shall respect and adhere to the principles of ethical conduct set forth in this section, as well as the implementing standards contained in this part and in supplemental agency regulations.*

*“The power to “legislate generally upon” life, liberty, and property, as opposed to the “power to provide modes of redress” against offensive state action, was “repugnant” to the Constitution. Id., at 15. See also United States v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106 U.S. 629, 639 (1883); James v. Bowman, 190 U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964); United States v. Guest, 383 U.S. 745 (1966), their treatment of Congress’ §5 power as corrective or preventive, not definitional, has not been questioned.”*  
*[City of Boerne v. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997)]*

Sources of statutory “income” within I.R.C. Section 871 are divided up into two categories:

1. Income not connected with United States business: 26 U.S.C. §871(a).
  - 1.1. These earnings are subject to a uniform 30% tax.
  - 1.2. No method of reporting these types of earnings through information returns.
  - 1.3. Deductions not allowed under 26 U.S.C. §162 as described in 26 U.S.C. §873.
  - 1.4. Documented on IRS Form 1040NR only for “individuals”.
  - 1.5. Includes Social Security payments pursuant to 26 U.S.C. §871(a)(3) and 26 U.S.C. §861(a)(8) .
  - 1.6. Excludes items listed in 26 U.S.C. §872(b).

1.7. Includes the following types of earnings:

1.7.1. Income other than capital gains. 26 U.S.C. §871(a)(1).

1.7.2. Capital gains of aliens present in the United States 183 days or more. 26 U.S.C. §871(a)(1).

2. Income connected with United States business: 26 U.S.C. §871(b). These earnings are subject to a graduated rate of tax described in 26 U.S.C. §1.

2.1. Reported on IRS information returns, such as Forms W-2, 1042-s, 1098, and 1099.

2.2. Subject to deductions under 26 U.S.C. §162 and pursuant to 26 U.S.C. §873.

2.3. Documented using IRS Forms 1040 and 1040NR for “individuals”.

The second category above, “trade or business” earnings, is self-explanatory. See the following for exhaustive details:

The “Trade or Business” Scam, Form #05.001

<http://sedm.org/Forms/FormIndex.htm>

The first category above, which is income not connected with the “trade or business” franchise, however, requires further explanation because it is frequently a point of confusion for most people, and especially for government employees.

## **15.2 26 U.S.C. §871(a): Earnings not connected to the “trade or business” franchise**

You might wonder why earnings not connected with the “trade or business” franchise are a flat/uniform 30% instead of the graduated rate applied to those in the “trade or business” category described in 26 U.S.C. §871(b). The reason is that:

1. All earnings originating from sources within the “United States”, meaning the government, are presumed to be connected with a “trade or business” and public office franchise per 26 U.S.C. §864(c)(3):

TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART I > § 864  
§ 864. Definitions and special rules

(c) Effectively connected income, etc.

(3) Other income from sources within United States

*All income, gain, or loss from sources within the United States (other than income, gain, or loss to which paragraph (2) applies) shall be treated as effectively connected with the conduct of a trade or business within the United States.*

2. The only type of earnings therefore that are NOT connected with the “trade or business” franchise and described in under 26 U.S.C. §871(a) originate from outside the “United States”, meaning the government. Most such earnings would therefore come from states of the Union.

3. The U.S. supreme Court has held that taxes that were not uniform throughout the “United States” as used in the Constitution, meaning states of the Union and not federal statutory “States”, were unconstitutional outside of the federal United States in the landmark case of *Pollock v. Farmers’ Loan & Trust Co.*, 157 U.S. 429, 158 U.S. 601 (1895):

*“...the law is invalid, because imposing indirect taxes in violation of the constitutional requirement of uniformity, and therein also in violation of the implied limitation upon taxation that all tax laws must apply equally, impartially, and uniformly to all similarly situated. Under the second head, it is contended that the rule of uniformity is violated, in that the law taxes the income of certain corporations, companies, and associations, no matter how created or organized, at a higher rate than the incomes of individuals or partnerships derived from precisely similar property or business; in that it exempts from the operation of the act and from the burden of taxation numerous corporations, companies, and associations having similar property and carrying on similar business to those expressly taxed; in that it denies to individuals deriving their income from shares in certain corporations, companies, and associations the benefit of the exemption of \$ 4,000 granted to other persons interested in similar property and business; in the exemption of \$4,000; in the exemption of building and loan associations, savings banks, mutual life, fire, marine, and accident insurance companies, existing solely for the pecuniary profit of their members,-these and other exemptions being alleged to be purely arbitrary and capricious, justified by no public purpose, and of such magnitude as to invalidate the entire enactment; and in other particulars.”*  
[*Pollock v. Farmers’ Loan & Trust Co.*, 157 U.S. 429, 158 U.S. 601 (1895)]

4. Therefore, Congress could not use a graduated rate within states of the Union against those who are nonresident aliens domiciled there.

26 U.S.C. §864(c)(2) identifies all sources of income not associated with a "trade or business" and they include ONLY:

- 26 U.S.C. §871(a)(1): Income of nonresident aliens other than capital gains derived from patents, copyrights, sale of original issue discounts, gains described in I.R.C. 631(b) or (c), interest, dividends, rents, salaries, premiums, annuities from sources within the "United States\*\*".
- 26 U.S.C. §871(h): Earnings of nonresident aliens from portfolio debt instruments
- 26 U.S.C. §881(a): Earnings of foreign corporations from patents, copyrights, gains, and interest not connected with a trade or business.

The main item within I.R.C. 871(a) earnings not connected with a the "trade or business" franchise that we will now concern ourselves with is that described in 26 U.S.C. §871(a)(1), because most Americans are not aliens and don't earn capital gains from real property located on federal territory. That item says the following:

TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART II > Subpart A > § 871  
§ 871. Tax on nonresident alien individuals

*(a) Income not connected with United States business—30 percent tax*

*(1) Income other than capital gains*

*Except as provided in subsection (h), there is hereby imposed for each taxable year a tax of 30 percent of the amount received from sources within the United States by a nonresident alien individual as—*

**(A) interest (other than original issue discount as defined in section 1273), dividends, rents, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, and other fixed or determinable annual or periodical gains, profits, and income,**

**(B) gains described in section 631 (b) or (c), and gains on transfers described in section 1235 made on or before October 4, 1966,**

**(C) in the case of—**

**(i) a sale or exchange of an original issue discount obligation, the amount of the original issue discount accruing while such obligation was held by the nonresident alien individual (to the extent such discount was not theretofore taken into account under clause (ii)), and**

**(ii) a payment on an original issue discount obligation, an amount equal to the original issue discount accruing while such obligation was held by the nonresident alien individual (except that such original issue discount shall be taken into account under this clause only to the extent such discount was not theretofore taken into account under this clause and only to the extent that the tax thereon does not exceed the payment less the tax imposed by subparagraph (A) thereon), and**

**(D) gains from the sale or exchange after October 4, 1966, of patents, copyrights, secret processes and formulas, good will, trademarks, trade brands, franchises, and other like property, or of any interest in any such property, to the extent such gains are from payments which are contingent on the productivity, use, or disposition of the property or interest sold or exchanged, but only to the extent the amount so received is not effectively connected with the conduct of a trade or business within the United States.**

*(2) Capital gains of aliens present in the United States 183 days or more*

*In the case of a nonresident alien individual present in the United States for a period or periods aggregating 183 days or more during the taxable year, there is hereby imposed for such year a tax of 30 percent of the amount by which his gains, derived from sources within the United States, from the sale or exchange at any time during such year of capital assets exceed his losses, allocable to sources within the United States, from the sale or exchange at any time during such year of capital assets. For purposes of this paragraph, gains and losses shall be taken into account only if, and to the extent that, they would be recognized and taken into account if such gains and losses were effectively connected with the conduct of a trade or business within the United States, except that such gains and losses shall be determined without regard to section 1202 and such losses shall be determined without the benefits of the capital loss carryover provided in section 1212. Any gain or loss which is taken into account in determining the tax under paragraph (1) or subsection (b) shall not be taken into account in determining the tax under this paragraph. For purposes of the 183-day requirement of this*



paragraph, a nonresident alien individual not engaged in trade or business within the United States who has not established a taxable year for any prior period shall be treated as having a taxable year which is the calendar year.

(3) Taxation of social security benefits

For purposes of this section and section 1441—

(A) 85 percent of any social security benefit (as defined in section 86 (d)) shall be included in gross income (notwithstanding section 207 of the Social Security Act), and

(B) section 86 shall not apply.

For treatment of certain citizens of possessions of the United States, see section 932 (c).<sup>[1]</sup>

[SOURCE: [http://www.law.cornell.edu/uscode/html/uscode26/usc\\_sec\\_26\\_00000871----000-.html](http://www.law.cornell.edu/uscode/html/uscode26/usc_sec_26_00000871----000-.html)]

26 U.S.C. §871(a)(1)(A) is of particular interest to most people because, at first glance, it might include everyone who works for the U.S. government but would not include the average American. Among those who work for the U.S. Government, there are two approaches to tax withholding and reporting typically:

1. Nonresident Alien Position

1.1. File IRS Form W-8BEN.

1.2. Should not receive IRS Form W-2 at the end of the year, because this form only applies to those who signed the W-4 contract.

1.3. Should not receive IRS Form 1042-s because they are not engaged in the “trade or business” franchise.

1.4. File IRS Form 1040NR and put all their earnings in the category of not connected with United States business pursuant to 26 U.S.C. §871(a).

1.5. Cannot take deductions pursuant to 26 U.S.C. §162 because not engaged in the “trade or business” franchise.

2. W-2 “Wage” Slave:

2.1. Normally file IRS Form W-4.

2.2. Receive an IRS Form W-2 at the end of the year.

2.3. Falsely and fraudulently file IRS Form 1040.

2.4. Take “trade or business” deductions on IRS Form 1040 pursuant to 26 U.S.C. §162.

The only real question about the above that remains unanswered in the case of the government employee who uses option 1 above, the Nonresident Alien Position, is:

*Are the earnings of a nonresident alien received from the U.S. government “wages” within the meaning of 26 U.S.C. §871(a)(1)(A)?*

This is a CRITICAL question that especially U.S. government workers using the Nonresident Alien Position need an answer for in order that they can know how to properly comply with the tax laws and stay out of trouble. The short answer is NO if all of the following are true:

1. The nonresident alien government worker is not engaged in a public office within the U.S. government.
2. The nonresident alien government worker never signed a contract called an IRS Form W-4 agreeing to call his earnings “wages”, and instead filed one of the following to control withholding.
  - 2.1. IRS Form W-8BEN Amended. See:  
About IRS Form W-8BEN, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>
  - 2.2. New Hire Paperwork Attachment, Form #04.203  
<http://sedm.org/Forms/FormIndex.htm>
3. The nonresident alien did not make an “election” pursuant to 26 U.S.C. §6013(g) and (h) to become a resident alien by filing IRS Form 1040 instead of 1040NR.

The justification for the above conclusions are found in the following evidence we have uncovered on this important subject:

1. There is no such thing as “employment” outside of federal territory or within states of the Union in the context of the federal government.

Title 26: Internal Revenue

PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE

Subpart B—Federal Insurance Contributions Act (Chapter 21, Internal Revenue Code of 1954)

General Provisions

§ 31.3121(b)-3 Employment; services performed after 1954.

(a) In general.

Whether services performed after 1954 constitute employment is determined in accordance with the provisions of section 3121(b).

(b) Services performed within the United States [federal territory].

Services performed after 1954 within the United States (see §31.3121(e)-1) by an employee for his employer, unless specifically excepted by section 3121(b), constitute employment. With respect to services performed within the United States, the place where the contract of service is entered into is immaterial. The citizenship or residence of the employee or of the employer also is immaterial except to the extent provided in any specific exception from employment. Thus, the employee and the employer may be citizens and residents of a foreign country and the contract of service may be entered into in a foreign country, and yet, if the employee under such contract performs services within the United States, there may be to that extent employment.

(c) Services performed outside the United States—

(1) In general. Except as provided in paragraphs (c)(2) and (3) of this section, services performed outside the United States (see §31.3121(e)-1) do not constitute employment.

---

TITLE 26 > Subtitle C > CHAPTER 21 > Subchapter C > § 3121  
§ 3121. Definitions

(e) State, United States, and citizen

For purposes of this chapter—

(1) State

The term “State” includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(2) United States

The term “United States” when used in a geographical sense includes the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

The regulation implementing 26 U.S.C. §3121 above at 26 CFR §31.3121(e)-1 adds the “several states” to the statutory definition of “United States” above and therefore is an unlawful regulation that exceeds the scope of the statute.

Finally, the Government points to the fact that the Treasury Regulations relating to the statute purport to include the pick-up man among those subject to the s 3290 tax,<sup>FN11</sup> and argues (a) that this constitutes an administrative interpretation to which we should give weight in construing the statute, particularly because (b) section 3290 was carried over in haec verba into s 4411 of the Internal Revenue Code of 1954, 26 U.S.C.A. s 4411. We find neither argument persuasive. In light of the above discussion, \*359 we cannot but regard this Treasury Regulation as no more than an attempted addition to the statute of something which is not there.<sup>FN12</sup> As such the regulation can furnish no sustenance to the statute. Koshland v. Helvering, 298 U.S. 441, 446-447, 56 S.Ct. 767, 769-770, 80 L.Ed. 1268. Nor is the Government helped by its argument as to the 1954 Code. The regulation had been in effect for only three years,<sup>FN13</sup> and there is nothing to indicate that it was ever called to the attention \*\*1144 of Congress. The re-enactment of s 3290 in the 1954 Code was not accompanied by any congressional discussion which throws light on its intended scope. In such circumstances we consider the 1954 re-enactment to be without significance. Commissioner of Internal Revenue v. Glenshaw Glass Co., 348 U.S. 426, 431, 75 S.Ct. 473, 476, 99 L.Ed. 483.

[FN11](#). Treas.Reg. 132, s 325.41, Example 2 (26 CFR, 1957 Cum. Pocket Supp.), which was issued on November 1, 1951 ([16 Fed.Reg. 11211, 11222](#)), provides as follows:

*'B operates a numbers game. He has an arrangement with ten persons, who are employed in various capacities, such as bootblacks, elevator operators, newsdealers, etc., to receive wagers from the public on his behalf. B also employs a person to collect from his agents the wagers received on his behalf.*

*'B, his ten agents, and the employee who collects the wagers received on his behalf are each liable for the special tax.'*

[FN12](#). Apart from this, the force of this Treasury Regulations as an aid to the interpretation of the statute is impaired by its own internal inconsistency. Thus, while Example 2 of that regulation purports to make the pick-up man liable for the s 3290 occupational tax, Example 1 of the same regulation provides that 'a secretary and bookkeeper' of one 'engaged in the business of accepting horse race bets' are not liable for the occupational tax 'unless they also receive wagers' for the person so engaged in business, although those who 'receive wagers by telephone' are so liable. Thus in this instance a distinction seems to be drawn between the 'acceptance' of the wager, and its 'receipt' for recording purposes. But if this be proper, it is not apparent why the same distinction is not also valid between a writer, who 'accepts' or 'receives' a bet from a numbers player, and a pick-up man, who simply 'receives' a copy of the slips on which the writer has recorded the bet, and passes it along to the banker.

[FN13](#). See note 11, *supra*.  
[U.S. v. Calamaro, 354 U.S. 351, 77 S.Ct. 1138 (U.S. 1957)]

## 2. You can't earn "wages" pursuant to 26 U.S.C. §3401(a) unless you are an "employee":

[TITLE 26](#) > [Subtitle C](#) > [CHAPTER 24](#) > § 3401  
[§ 3401. Definitions](#)

### (a) Wages

**For purposes of this chapter, the term "wages" means all remuneration (other than fees paid to a public official) for services performed by an employee for his employer, including the cash value of all remuneration (including benefits) paid in any medium other than cash; except that such term shall not include remuneration paid—**

## 3. The term "employee" is statutorily defined as follows:

[26 U.S.C. §3401\(c\) Employee](#)

*For purposes of this chapter, the term "employee" includes [is limited to] an officer, employee, or elected official of the United States, a State, or any political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing. The term "employee" also includes an officer of a corporation.*

[26 CFR §31.3401\(c\)-1 Employee:](#)

*"...the term [employee] includes officers and employees, whether elected or appointed, of the United States, a [federal] State, Territory, Puerto Rico or any political subdivision, thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing. The term 'employee' also includes an officer of a corporation."*

[TITLE 5](#) > [PART III](#) > [Subpart A](#) > [CHAPTER 21](#) > § 2105  
[§ 2105. Employee](#)

(a) For the purpose of this title, "employee", except as otherwise provided by this section or when specifically modified, **means an officer and an individual** who is—

(1) appointed in the civil service by one of the following acting in an official capacity—

- (A) the President;
- (B) a Member or Members of Congress, or the Congress;
- (C) a member of a uniformed service;
- (D) an individual who is an employee under this section;



(E) the head of a Government controlled corporation; or  
(F) an adjutant general designated by the Secretary concerned under section 709 (c) of title 32;

(2) engaged in the performance of a Federal function under authority of law or an Executive act; and  
(3) subject to the supervision of an individual named by paragraph (1) of this subsection while engaged in the performance of the duties of his position.

4. You're not a statutory "employee" unless you are a "public officer" in the U.S. government. 26 U.S.C. §3401(c ) and 26 CFR §31.3401(c )-1 includes "officers, employees, and elected officials" within the definition of the term "employee". The term "employee" as used in 26 U.S.C. §3401(c ) is then defined in Title 5 as an

"officer and an individual"

at 26 U.S.C. §2105(a). Therefore, ordinary, common law workers, including those who work for the government, are not "employees" as statutorily defined in the I.R.C. If ordinary workers other than "public officers" were included, the law would have to expressly indicate it and it doesn't. The ordinary use of a term found in the code cannot be presumed where a statutory definition is provided that supersedes it. Therefore, the rules of statutory construction forbid us to PRESUME that they are included:

"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that the expression of one thing is the exclusion of another. *Burgin v. Forbes*, 293 Ky. 456, 169 S.W.2d 321, 325; *Newblock v. Bowles*, 170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred. Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded."  
[Black's Law Dictionary, Sixth Edition, p. 581]

"When a statute includes an explicit definition, we must follow that definition, even if it varies from that term's ordinary meaning. *Meese v. Keene*, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory definition of the term excludes unstated meanings of that term"); *Colautti v. Franklin*, 439 U.S. at 392-393, n. 10 ("As a rule, 'a definition which declares what a term 'means' . . . excludes any meaning that is not stated"); *Western Union Telegraph Co. v. Lenroot*, 323 U.S. 490, 502 (1945); *Fox v. Standard Oil Co. of N.J.*, 294 U.S. 87, 95-96 (1935) (Cardozo, J.); see also 2A N. Singer, *Sutherland on Statutes and Statutory Construction* § 47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at 998 [530 U.S. 943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include the Attorney General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the contrary."  
[*Stenberg v. Carhart*, 530 U.S. 914 (2000)]

5. "Public officers" work for the government, not for private companies. If you work for a private company you therefore can't lawfully earn "wages" unless you sign a contract called IRS Form W-4 agreeing to call what you earn "wages" as legally defined:

[IRM 5.14.10.2 \(09-30-2004\)](#)  
Payroll Deduction Agreements

2. Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements. Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.  
[<http://www.irs.gov/irm/part5/ch14s10.html>]

[26 CFR §31.3401\(a\)-3 Amounts deemed wages under voluntary withholding agreements.](#)

(a) In general.

Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term "wages" includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p). References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3).

[§ 31.3402\(p\)-1 Voluntary withholding agreements.](#)

(a) In general.

An employee and his employer may enter into an agreement under section 3402(b) to provide for the withholding of income tax upon payments of amounts described in paragraph (b)(1) of §31.3401(a)–3, made after December 31, 1970. **An agreement may be entered into under this section only with respect to amounts which are includible in the gross income of the employee under section 61, and must be applicable to all such amounts paid by the employer to the employee.** The amount to be withheld pursuant to an agreement under section 3402(p) shall be determined under the rules contained in section 3402 and the regulations thereunder. See §31.3405(c)–1, Q&A–3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.

6. If you aren't the statutory "employee" indicated above and you didn't submit IRS Form W-4 and thereby call yourself an "employee" as defined in 26 U.S.C. §3401(c), then you can't earn statutory "wages" as legally defined. You might earn wages in an ordinary sense, but not in the statutory sense, and the statutory sense is the only sense in which "wages" are used. The IRS Form W-4 says "Employee Withholding Allowance Certificate". The IRS Form W-8BEN doesn't even mention the term "employee" and what is not specified in law or a form cannot be presumed without violating due process of law.

**"Expressio unius est exclusio alterius.** A maxim of statutory interpretation meaning that **the expression of one thing is the exclusion of another.** *Burgin v. Forbes*, 293 Ky. 456, 169 S.W.2d 321, 325; *Newblock v. Bowles*, 170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred.** Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded." [Black's Law Dictionary, Sixth Edition, p. 581]

7. The statutory definition of "wages" excludes earnings of nonresident aliens.

[TITLE 26 > Subtitle C > CHAPTER 24 > § 3401](#)  
[§ 3401. Definitions](#)

(a) Wages

For purposes of this chapter, **the term "wages" means** all remuneration (other than fees paid to a public official) for services performed by an employee for his employer, including the cash value of all remuneration (including benefits) paid in any medium other than cash; **except that such term shall not include remuneration paid—**

**(6) for such services, performed by a nonresident alien individual**, as may be designated by regulations prescribed by the Secretary; or

8. The definition of "wages" excludes earnings **not** connected with the "trade or business" excise taxable franchise earned by a person who is NOT an "individual".

[TITLE 26 > Subtitle C > CHAPTER 24 > § 3401](#)  
[§ 3401. Definitions](#)

(a) Wages

For purposes of this chapter, **the term "wages" means** all remuneration (other than fees paid to a public official) for services performed by an employee for his employer, including the cash value of all remuneration (including benefits) paid in any medium other than cash; **except that such term shall not include remuneration paid—**

**(4) for service not in the course of the employer's trade or business** performed in any calendar quarter by an employee, unless the cash remuneration paid for such service is \$50 or more and such service is **performed by an individual** who is regularly employed by such employer to perform such service. For purposes of this paragraph, **an individual** shall be deemed to be regularly employed by an employer during a calendar quarter only if—

(A) on each of some 24 days during such quarter such individual performs for such employer for some portion of the day service not in the course of the employer's trade or business; or

(B) such individual was regularly employed (as determined under subparagraph (A)) by such employer in the performance of such service during the preceding calendar quarter; or

9. The term “individual” as used in the definition of “wages” above is defined in the Privacy Act, where the term “individual” is then defined in 5 U.S.C. §552a(a)(2) as a government employee with a domicile on federal territory. Nowhere is a human being or a person with a domicile within a state of the Union included in the definition. The “citizen” and “resident” described below is a person with a domicile on federal territory that is no part of any state of the Union, by the way.

TITLE 5 - GOVERNMENT ORGANIZATION AND EMPLOYEES  
PART I - THE AGENCIES GENERALLY  
CHAPTER 5 - ADMINISTRATIVE PROCEDURE  
SUBCHAPTER II - ADMINISTRATIVE PROCEDURE  
[Sec. 552a. Records maintained on individuals](#)

(a) Definitions. - For purposes of this section -

(2) the term "individual" means a citizen of the United States or an alien lawfully admitted for permanent residence;

10. If you start out as a nonresident alien and make an election to be treated as a resident alien by filing IRS Form 1040 instead of 1040NR pursuant to 26 U.S.C. §6013(g) and (h), then you cease to be a nonresident alien for withholding purposes as well.

Title 26  
[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)  
[Subpart E—Collection of Income Tax at Source](#)  
[§ 31.3401\(a\)\(6\)-1 Remuneration for services of nonresident alien individuals.](#)

(a) In general.

All remuneration paid after December 31, 1966, for services performed by a nonresident alien individual, if such remuneration otherwise constitutes wages within the meaning of §31.3401(a)-1 and if such remuneration is effectively connected with the conduct of a trade or business within the United States, is subject to withholding under section 3402 unless excepted from wages under this section. **In regard to wages paid under this section after February 28, 1979, the term “nonresident alien individual” does not include a nonresident alien individual treated as a resident under section 6013 (g) or (h).**

11. If a nonresident alien performs work outside of federal territory called the “United States”, then he can’t earn “wages” unless the work is connected with a “trade or business” excise taxable franchise, meaning a “public office” within the government:

Title 26  
[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)  
[Subpart E—Collection of Income Tax at Source](#)  
[§ 31.3401\(a\)\(6\)-1 Remuneration for services of nonresident alien individuals.](#)

(a) In general.

All remuneration paid after December 31, 1966, for services performed by a nonresident alien individual, if such remuneration otherwise constitutes wages within the meaning of §31.3401(a)-1 and if such remuneration is effectively connected with the conduct of a trade or business within the United States, is subject to withholding under section 3402 unless excepted from wages under this section. **In regard to wages paid under this section after February 28, 1979, the term “nonresident alien individual” does not include a nonresident alien individual treated as a resident under section 6013 (g) or (h).**

(b) Remuneration for services performed outside the United States.

**Remuneration paid to a nonresident alien individual (other than a resident of Puerto Rico) for services performed outside the United States is excepted from wages and hence is not subject to withholding.**

Title 26: Internal Revenue  
[PART 1—INCOME TAXES](#)  
[nonresident alien individuals](#)  
[§ 1.872-2 Exclusions from gross income of nonresident alien individuals.](#)



(f) *Other exclusions.*

Income which is from sources without [outside] the United States [federal territory per 26 U.S.C. §7701(a)(9) and (a)(10)], as determined under the provisions of sections 861 through 863, and the regulations thereunder, is not included in the gross income of a nonresident alien individual unless such income is effectively connected for the taxable year with the conduct of a trade or business in the United States by that individual. To determine specific exclusions in the case of other items which are from sources within the United States, see the applicable sections of the Code. For special rules under a tax convention for determining the sources of income and for excluding, from gross income, income from sources without the United States which is effectively connected with the conduct of a trade or business in the United States, see the applicable tax convention. For determining which income from sources without the United States is effectively connected with the conduct of a trade or business in the United States, see section 864(c)(4) and §1.864-5.

## **16 How “Nonresident Alien Nontaxpayers” are deceived or compelled into becoming “Taxpayers”**

### **16.1 Deliberately Confusing “Nonresident Aliens” with “Aliens”**

A popular technique promoted and encouraged by the IRS is to:

1. Deliberately confuse “nonresident aliens” with “aliens”.
2. Falsely tell you or imply that “nonresident aliens” include only those aliens that are not resident within the jurisdiction of the United States.
3. Deceive you into believing that “nonresident aliens” and “nonresident alien individuals” are equivalent. They are not. It is a maxim of law that things that are similar are NOT the same:

*Talis non est eadem, nam nullum simile est idem.*

*What is like is not the same, for nothing similar is the same. 4 Co. 18.*

*[Bouvier’s Maxims of Law, 1856;*

*SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]*

4. Refuse to define what a “nonresident alien” is and what is included in the definition within 26 U.S.C. §7701(b)(1)(B).
5. Define what it ISN’T, and absolutely refuse to define what it IS.
6. Refuse to acknowledge that “nationals” as defined in 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1101(a)(22) are “nonresident aliens”.

All of the confusion and deception surrounding “nonresident alien” status is introduced and perpetuated mainly in the IRS publications and the Treasury Regulations. It is not found in the Internal Revenue Code. “Nonresident aliens” and “aliens” are not equivalent in law, and confusing them has the following direct injurious consequences against those who are “non-citizen nationals”:

1. Prejudicing their ability to claim “nonresident alien” status at financial institutions and employers. This occurs because without either a Treasury Regulation or IRS publication they can point to which proves that they are a “nonresident alien”, they will not have anything they can show these institutions in order that their status will be recognized when they open accounts or pursue employment. This compels them in violation of the law because of the ignorance of bank clerks and employers into declaring that they are “U.S. persons” and enumerating themselves just in order to obtain the services or employment that they seek.
2. Unlawfully preventing non-citizen nationals from being able to change their domicile if they mistakenly claim to be “residents” of the United States. 26 CFR §1.871-5 says that an intention of an “alien” to change his domicile/residence is insufficient to change it whereas a similar intention on the part of a “non-citizen national” is sufficient.

The above injuries to the rights of non-citizen nationals is very important, because we prove in the following document and elsewhere on our website that all persons born within and domiciled within the exclusive jurisdiction of a state of the Union are “non-citizen nationals” pursuant to 8 U.S.C. §1101(a)(21), and so this injury is widespread and vast in its consequences:

Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

Let's show some of the IRS deception to disguise the availability of "nonresident alien" status to non-citizen nationals so that they don't use it. Below is the definition of "Nonresident alien"

[TITLE 26 > Subtitle F > CHAPTER 79 > § 7701](#)  
[§ 7701. Definitions](#)

*(b) Definition of resident alien and nonresident alien*

*(1) In general*

*(B) Nonresident alien*

**An individual is a nonresident alien if such individual is neither a citizen of the United States nor a resident of the United States (within the meaning of subparagraph (A)).**

Below are two consistent definitions of "alien":

[26 CFR §1.1441-1 Requirement for the deduction and withholding of tax on payments to foreign persons.](#)

*(c ) Definitions*

*(3) Individual.*

*(i) Alien individual.*

*The term alien individual means an individual who is not a citizen or a **national** of the United States. See Sec. 1.1-1(c).*

---

[TITLE 8 > CHAPTER 12 > SUBCHAPTER I > § 1101](#)  
[§ 1101. Definitions](#)

*(a) As used in this chapter—*

*(3) The term "alien" means **any person not a citizen or national of the United States.***

Notice based on the above definitions that:

1. They define what "alien" and "nonresident alien" are **NOT**, but *not* what the **ARE**.
2. The definition of "nonresident alien" is **NOT** a equivalent to "alien". The two overlap, but neither is a subset of the other.
3. There are two classes of entities that are "nonresident aliens", which include:
  - 3.1. "Aliens" with no domicile or residence within the "United States"
  - 3.2. "nationals" with no domicile or residence within the "United States". These include "nationals" as defined in 8 U.S.C. §1101(a)(21) domiciled in states of the Union and born there, and "nationals of the United States" as defined in 8 U.S.C. §1101(a)(22)(B) who are domiciled in federal possessions and born there.

Item 3.2 above is corroborated by:

1. The content of IRS Publication 519, which obtusely mentions what it calls "U.S. nationals", which it then defines as persons domiciled in American Samoa and Swain's Island who do not elect to become statutory "U.S. citizens".

*"A U.S. national is an **alien** who, although not a U.S. citizen, owes his or her allegiance to the United States. U.S. nationals include American Samoans, and Northern Mariana Islanders who choose to become U.S. nationals instead of U.S. citizens"*  
[\[IRS Publication 519: Tax Guide for Aliens, Year 2007, p. 43\]](#)

The above statement is partially **false**. A statutory "U.S. national" as defined in 8 U.S.C. §1101(a)(22) is NOT an "alien", because aliens exclude "nationals of the United States\*\*" based on the definition of "alien" found in 26 CFR

§1.1441-1(c)(3)(i) and 8 U.S.C. §1101(a)(3). The “U.S. national” to which they refer also very deliberately is neither mentioned nor defined anywhere in the Internal Revenue Code or the Treasury Regulations as being “nonresident aliens”, even though they in fact are and Pub. 519 admits that they are. The only statutory definition of “U.S. national” is found in 8 U.S.C. §1101(a)(22)(B) and 8 U.S.C. §1408. However, the existence of this person is also found on IRS Form 1040NR itself, which mentions it as a status as being a “nonresident alien”. By the way, don’t let the government fool you by using the above as evidence in a legal proceeding because it ISN’T competent evidence and cannot form the basis for a reasonable belief or willfulness. The IRS itself says you cannot and should not rely on anything in any of their publications. The IRS, in fact, routinely deceives and lies in their publications and their forms and does so with the blessings and even protection of the federal district courts, even though they hypocritically sue the rest of us for “abusive tax shelters” if we offer the public equally misleading information. For details on this subject, see:

*Reasonable Belief About Income Tax Liability*, Form #05.007  
<http://sedm.org/Forms/FormIndex.htm>

2. 26 U.S.C. §877(a), which describes a “nonresident alien” who lost citizenship to avoid taxes and therefore is subject to a special assessment as a punishment for that act of political dis-association. Notice the statute doesn’t say a “citizen of the United States” losing citizenship, but a “nonresident alien”. The “citizenship” they are referring to is the “nationality” described in 8 U.S.C. §1101(a)(21) and NOT the statutory “U.S. citizen” status found in 8 U.S.C. §1401.

*TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART II > Subpart A > § 877*  
*§ 877. Expatriation to avoid tax*

*(a) Treatment of expatriates*

*(1) In general*

*Every **nonresident alien individual** to whom this section applies and **who, within the 10-year period immediately preceding the close of the taxable year, lost United States citizenship** shall be taxable for such taxable year in the manner provided in subsection (b) if the tax imposed pursuant to such subsection (after any reduction in such tax under the last sentence of such subsection) exceeds the tax which, without regard to this section, is imposed pursuant to section [871](#).*

So let’s get this straight: 8 U.S.C. §1101(a)(3) and 26 CFR §1.1441-1(c)(3)(i) both say that you cannot be an “alien” if you are a “national” and yet, the IRS publications such as IRS Pub. 519 and the Treasury Regulations frequently identify these same “nationals” as “aliens”. Earth calling IRS. Hello? Anybody home? The IRS knows that the key to being sovereign as an American National born in a state of the Union and domiciled there is being a nonresident alien not engaged in a trade or business. So what do they do to prevent people from achieving this status? They surround the status with cognitive dissonance, lies, falsehoods, and mis-directions. Hence one of our favorite sayings:

*“The truth about the income tax is so precious to the government that it must be surrounded by a bodyguard of lies.”*  
*[Unknown]*

Nowhere within the Internal Revenue Code, the Treasury Regulations, or IRS Pub. 519 will you find a definition of the term “national” which is mentioned in 8 U.S.C. §1101(a)(21), 8 U.S.C. §1101(a)(3), and which describes a person born within and domiciled within a state of the Union. However, these persons are treated the same as “U.S. nationals”, which means they are “nonresident aliens” and not “aliens”. Consequently, unlike aliens, those who are “nationals”:

1. Are not bound by any of the regulations pertaining to “aliens”, because they are NOT “aliens” as legally defined..
2. Do not have to file IRS Form 8840 in order to associate with the “foreign state” they are domiciled within in order to be automatically exempt from Internal Revenue Code, Subtitle A taxes.
3. Are forbidden to file a “Declaration of Intention” to become “U.S. residents” pursuant to 26 CFR §1.871-4 and IRS Form 1078.

If you are still confused at this point about non-citizen nationals and who they are, you may want to go back to section 4 earlier and examine the tables and diagrams there until the relationships become clear in your mind.

Moving on, why does the IRS play this devious sleight of hand? Remember: every thing happens for a reason, and here are the reasons:



- 1 1. IRS has a vested interest to maximize the number of “taxpayers” contributing to their scam. Taxation is based on legal  
2 domicile.

3 *“Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in*  
4 *transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes. Since the*  
5 *Fourteenth Amendment makes one a citizen of the state wherein he resides, the fact of residence creates*  
6 *universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter*  
7 *obviously includes a duty to pay taxes, and their nature and measure is largely a political matter. Of course,*  
8 *the situs of property may tax it regardless of the citizenship, domicile, or residence of the owner, the most*  
9 *obvious illustration being a tax on realty laid by the state in which the realty is located.”*  
10 [Miller Brothers Co. v. Maryland, [347 U.S. 340](#) (1954)]

11 Therefore, IRS has an interest in compelling persons domiciled in states of the Union into falsely declaring their  
12 domicile within the “United States”. The status that implies domicile is “U.S. persons” as defined in 26 U.S.C.  
13 §7701(a)(30). “U.S. persons” include either statutory “citizens of the United States” as defined in 8 U.S.C. §1401 or  
14 “resident aliens” as defined in 26 U.S.C. §7701(b)(1)(A) and both have in common a legal domicile in the “United  
15 States”.

- 16 2. IRS does not want people born within and domiciled within states of the Union, who are “nationals” pursuant to 8  
17 U.S.C. §1101(a)(21) to know that “nationals” are included in the definition of “nonresident alien”. This would cause a  
18 mass exodus from the tax system and severely limit the number of “taxpayers” that they may collect from.
- 19 3. IRS wants to prevent non-citizen nationals from using the nonresident alien status so as to force them, via presumption,  
20 into falsely declaring their status to be that of a “U.S. person” as defined in 26 U.S.C. §7701(a)(30). This will create a  
21 false presumption that they maintain a domicile on federal territory and are therefore subject to federal jurisdiction and  
22 “taxpayers”.
- 23 4. By refusing to define EXACTLY what is included in the definition of “nonresident alien” in both Treasury Regulations  
24 and IRS publications or acknowledging that “nationals” are included in the definition, those opening bank accounts at  
25 financial institutions and starting employment will be deprived of evidence which they can affirmatively use to  
26 establish their status with these entities, which in effect compels presumption by financial institutions and employers  
27 within states of the Union that they are “U.S. persons” who MUST have an identifying number, such as a Social  
28 Security Number or a Taxpayer Identification Number. This forces them to participate in a tax system that they can’t  
29 lawfully participate in without unknowingly making false statements about their legal status by mis-declaring  
30 themselves to be “U.S. persons”.

31 Below are several examples of this deliberate, malicious IRS confusion between “aliens” and “nonresident aliens” found  
32 within the IRS publications and Treasury Regulations, where “nonresident aliens” are referred to as “aliens” that we have  
33 found so far. All of these examples are the result of a false presumption that “nonresident aliens” are a subset of all  
34 “aliens”, which is NOT the case. We were able to find no such confusion within the I.R.C., but it is rampant within the  
35 Treasury Regulations.

- 36 1. [IRS Publication 515: Withholding of Tax on Nonresident Aliens and Foreign Corporations](#). This confusion is found  
37 throughout this IRS publication.
- 38 2. [IRS Publication 519: Tax Guide for Aliens](#). This publication should not even be discussion “nonresident aliens”,  
39 because they aren’t a subset of “aliens” unless the word “nonresident alien” is followed with the word “individual”.
- 40 3. [26 CFR §1.864-7\(b\)\(2\)](#):

41 [Revised as of April 1, 2006]  
42 From the U.S. Government Printing Office via GPO Access  
43 [Page 318-321]

44 TITLE 26--INTERNAL REVENUE  
45 CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY  
46 PART 1\_INCOME TAXES--Table of Contents  
47 Sec. 1.864-7 Definition of office or other fixed place of business.

48  
49 (b) Fixed facilities--

50 (2) Use of another person's office or other fixed place of business. **A nonresident alien individual or a foreign**  
51 **corporation shall not be considered to have an office or other fixed place of business merely because such**  
52 **alien individual or foreign corporation uses another person's office or other fixed place of business, whether**  
53 **or not the office or place of business of a related person, through which to transact a trade or business, if the**

trade or business activities of the alien individual or foreign corporation in that office or other fixed place of business are relatively sporadic or infrequent, taking into account the overall needs and conduct of that trade or business.

4. 26 CFR §1.864-7(d)(1)(i)(b):

[Revised as of April 1, 2006]  
From the U.S. Government Printing Office via GPO Access  
[Page 318-321]

TITLE 26--INTERNAL REVENUE  
CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY  
(CONTINUED)  
PART 1\_INCOME TAXES--Table of Contents  
Sec. 1.864-7 Definition of office or other fixed place of business.

(d) Agent activity.

(1) Dependent agents.

(i) In general.

In determining whether a nonresident alien individual or a foreign corporation has an office or other fixed place of business, the office or other fixed place of business of an agent who is not an independent agent, as defined in subparagraph (3) of this paragraph, shall be disregarded unless such agent

(a) has the authority to negotiate and conclude contracts in the name of the nonresident alien individual or foreign corporation, and regularly exercises that authority, or

(b) has a stock of merchandise belonging to the nonresident alien individual or foreign corporation from which orders are regularly filed on behalf of such alien individual or foreign corporation.

A person who purchases goods from a **nonresident alien individual** or a foreign corporation shall not be considered to be an agent for **such alien individual** or foreign corporation for purposes of this paragraph where such person is carrying on such purchasing activities in the ordinary course of its own business, even though such person is related in some manner to the nonresident alien individual or foreign corporation. For example, a wholly owned domestic subsidiary corporation of a foreign corporation shall not be treated as an agent of the foreign parent corporation merely because the subsidiary corporation purchases goods from the foreign parent corporation and resells them in its own name. However, if the domestic subsidiary corporation regularly negotiates and concludes contracts in the name of its foreign parent corporation or maintains a stock of merchandise from which it regularly fills orders on behalf of the foreign parent corporation, the office or other fixed place of business of the domestic subsidiary corporation shall be treated as the office or other fixed place of business of the foreign parent corporation unless the domestic subsidiary corporation is an independent agent within the meaning of subparagraph (3) of this paragraph.

5. 26 CFR §1.872-2(b)(1):

[Code of Federal Regulations]  
[Title 26, Volume 9]  
[Revised as of April 1, 2006]  
From the U.S. Government Printing Office via GPO Access  
[Page 367-369]

TITLE 26--INTERNAL REVENUE  
CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY  
(CONTINUED)  
PART 1\_INCOME TAXES--Table of Contents  
Sec. 1.872-2 Exclusions from gross income of nonresident alien individuals.

(b) Compensation paid by foreign employer to participants in certain exchange or training programs.

(1) Exclusion from income.

Compensation paid to a **nonresident alien individual** for the period that the nonresident alien individual is temporarily present in the United States as a nonimmigrant under subparagraph (F) (relating to the admission of students into the United States) or subparagraph (J) (relating to the admission of teachers, trainees,

specialists, etc., into the United States) of section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15) (F) or (J)) shall be excluded from gross income if the compensation is paid to such alien by his foreign employer. Compensation paid to a nonresident alien individual by the U.S. office of a domestic bank which is acting as paymaster on behalf of a foreign employer constitutes compensation paid by a foreign employer for purposes of this paragraph if the domestic bank is reimbursed by the foreign employer for such payment. A nonresident alien individual who is temporarily present in the United States as a nonimmigrant under such subparagraph (J) includes a nonresident alien individual admitted to the United States as an "exchange visitor" under section 201 of the U.S. Information and Educational Exchange Act of 1948 (22 U.S.C. 1446), which section was repealed by section 111 of the Mutual Education and Cultural Exchange Act of 1961 (75 Stat. 538).

6. 26 CFR §1.6012-3(b)(2)(i).
7. 26 CFR §31.3401(a)(6)-1A(c).
8. 26 CFR §509.103(b)(3).
9. 26 CFR §509.108(a)(1)

"Nonresident aliens" are defined in 26 U.S.C. §7701(b)(1)(B). Aliens are defined in 8 U.S.C. §1101(a)(3). "Resident aliens" are defined in 26 U.S.C. §7701(b)(1)(B). The relationship between these three entities are as follows, in the context of income taxes:

1. "Aliens" or "alien individuals": Those born in a foreign country and not within any state of the Union or within any federal territory.
  - 1.1. "Alien" is defined in 8 U.S.C. §1101(a)(3) as a person who is neither a citizen nor a national.
  - 1.2. "Alien individual" is defined in 26 CFR §1.1441-1(c)(3)(i).
  - 1.3. An alien is a person who is not a "national" as defined in 8 U.S.C. §1101(a)(21).
  - 1.4. An alien with no domicile in the "United States" is presumed to be a "nonresident alien" pursuant to 26 CFR §1.871-4(b).
2. "Residents" or "resident aliens": An "alien" or "alien individual" with a legal domicile on federal territory.
  - 2.1. "Resident aliens" are defined in 26 U.S.C. §7701(b)(1)(A).
  - 2.2. A "resident alien" is an alien as defined in 8 U.S.C. §1101(a)(3) who has a legal domicile on federal territory that is no part of the exclusive jurisdiction of any state of the Union.
  - 2.3. An "alien" becomes a "resident alien" by filing IRS Form 1078 pursuant to 26 CFR §1.871-4(c)(ii) and thereby electing to have a domicile on federal territory.
3. "Nonresident aliens": Those with no domicile on federal territory and who are born either in a foreign country, a state of the Union, or within the federal zone.
  - 3.1. Defined in 26 U.S.C. §7701(b)(1)(B).
  - 3.2. Also called a "nonresident", "stateless person", or "transient foreigner".
  - 3.3. A "nonresident alien" is defined as a person who is neither a statutory "citizen" pursuant to 26 CFR §1.1-1(c) nor a statutory "resident" pursuant to 26 U.S.C. §7701(b)(1)(A).
  - 3.4. A person who is a "non-citizen national" pursuant to 8 U.S.C. §1452 and either 8 U.S.C. §1101(a)(21) or 8 U.S.C. §1101(a)(22)(B) is a "nonresident alien" but not an "alien".
4. "Nonresident alien individuals": Those who are aliens and who do not have a domicile on federal territory.
  - 4.1. Defined in 26 CFR §1.1441-1(c)(3)(ii).
  - 4.2. Are a subset of all "aliens" as defined in 8 U.S.C. §1101(a)(3).
  - 4.3. Status is indicated in block 3 of the IRS Form W-8BEN under the term "Individual".
  - 4.4. Excludes non-citizen nationals as defined in 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452.
  - 4.5. Excludes those born within the exclusive jurisdiction of states of the Union who are therefore "non-citizen nationals" under federal law.
5. Convertibility between "aliens", "resident aliens", and "nonresident aliens", and "nonresident alien individuals":
  - 5.1. A "nonresident alien" is not the legal equivalent of an "alien" in law.
  - 5.2. IRS Form W-8BEN, block 3 has no block to check for those who are "nonresident aliens" but not "nonresident alien individuals". Thus, the submitter of this form who is a "nonresident alien" and a non-citizen national but not a "nonresident alien individual" is effectively compelled to make an illegal and fraudulent election to become an alien and an "individual" if they do not add a block for "transient foreigner" or "Union State Citizen" to the form. See section 5.3 of the following:

About IRS Form W-8BEN, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>
  - 5.3. 26 U.S.C. §6013(g) and (h) and 26 U.S.C. §7701(b)(4)(B) authorize a "nonresident alien" who is married to a statutory "U.S. citizen" as defined in 26 CFR §1.1-1(c) to make an "election" to become a "resident alien".



- 5.4. It is unlawful for an unmarried “non-citizen national” pursuant to 8 U.S.C. §1452 and either 8 U.S.C. §1101(a)(21) or 8 U.S.C. §1101(a)(22)(B) to become a “resident alien”. This can only happen by either fraud or mistake.
- 5.5. An alien may overcome the presumption that he is a “nonresident alien” and change his status to that of a “resident alien” by filing IRS Form 1078 pursuant to 26 CFR §1.871-4(c)(ii) while he is in the “United States”.
- 5.6. The term “residence” can only lawfully be used to describe the domicile of an “alien”. Nowhere is this term used to describe the domicile of a “non-citizen national” or a “nonresident alien”. See 26 CFR §1.871-2.
- 5.7. The only way an “alien” can become both a “non-citizen national” and a “nonresident alien” at the same time is to be naturalized pursuant to 8 U.S.C. §1421.

6. Sources of confusion on these issues:

- 6.1. One can be a “nonresident alien” pursuant to 26 U.S.C. §7701(b)(1)(B) without being either an “alien” or an “individual” or a “nonresident alien individual”. An example would be a human being born within the exclusive jurisdiction of a state of the Union who is therefore a “non-citizen national” or “state national” pursuant to 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452.
- 6.2. The term “United States” is defined in the Internal Revenue Code at 26 U.S.C. §7701(a)(9) and (a)(10).
- 6.3. The term “United States” for the purposes of citizenship is defined in 8 U.S.C. §1101(a)(38).
- 6.4. Any “U.S. Person” as defined in 26 U.S.C. §7701(a)(30) who is not found in the “United States” (federal territory pursuant to 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d)) shall be treated as having an effective domicile within the District of Columbia pursuant to 26 U.S.C. §7701(a)(39) and 26 U.S.C. §7408(d).
- 6.5. The term “United States” is equivalent for the purposes of statutory “citizens” pursuant to 26 CFR §1.1-1(c) and “citizens” as used in the Internal Revenue Code. See 26 CFR §1.1-1(c).
- 6.6. The term “United States” as used in the Constitution of the United States is NOT equivalent to the statutory definition of the term used in:
- 6.6.1. 26 U.S.C. §7701(a)(9) and (a)(10).
- 6.6.2. 8 U.S.C. §1101(a)(38).
- The “United States” as used in the Constitution means the states of the Union and excludes federal territory, while the term “United States” as used in federal statutory law means federal territory and excludes states of the Union.
- 6.7. A constitutional “citizen of the United States” as mentioned in the Fourteenth Amendment is NOT equivalent to a statutory “citizen and national of the United States” as used in 8 U.S.C. §1401. See:

Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

- 6.8. In the case of jurisdiction over aliens only, the term “United States” implies all 50 states and the federal zone, and is not restricted only to the federal zone. See:
- 6.8.1. Nonresident Alien Position, Form #05.020  
<http://sedm.org/Forms/FormIndex.htm>
- 6.8.2. Kleindienst v. Mandel, 408 U.S. 753 (1972)

*In accord with ancient principles of the international law of nation-states, the Court in The Chinese Exclusion Case, 130 U.S. 581, 609 (1889), and in Fong Yue Ting v. United States, 149 U.S. 698 (1893), held broadly, as the Government describes it, Brief for Appellants 20, that the power to exclude aliens is “inherent in sovereignty, necessary for maintaining normal international relations and defending the country against foreign encroachments and dangers - a power to be exercised exclusively by the political branches of government . . . .” Since that time, the Court’s general reaffirmations of this principle have [408 U.S. 753, 766] been legion. 6 The Court without exception has sustained Congress’ “plenary power to make rules for the admission of aliens and to exclude those who possess those characteristics which Congress has forbidden.” Boutilier v. Immigration and Naturalization Service, 387 U.S. 118, 123 (1967). “[O]ver no conceivable subject is the legislative power of Congress more complete than it is over” the admission of aliens. Oceanic Navigation Co. v. Stranahan, 214 U.S. 320, 339 (1909). [Kleindienst v. Mandel, 408 U.S. 753 (1972)]*

6.8.3. Chae Chan Ping v. U.S., 130 U.S. 581 (1889)

*While under our constitution and form of government the great mass of local matters is controlled by local authorities, the United States, in their relation to foreign countries and their subjects or citizens, are one nation, invested with powers which belong to independent nations, the exercise of which can be invoked for the maintenance of its absolute independence and security throughout its entire territory. The powers to declare war, make treaties, suppress insurrection, repel invasion, regulate foreign commerce, secure republican governments to the states, and admit subjects of other nations to citizenship, are all sovereign powers, restricted in their exercise only by the constitution itself and considerations of public policy and justice which control, more or less, the conduct of all civilized nations. As said by this court in the case of Cohens v. Virginia, 6 Wheat. 264, 413, speaking by the same great chief justice: “That the United States form, for many, and for most important purposes, a single nation, has not yet been denied. In war, we are one people. In*

1 making peace, we are one people. In all commercial regulations, we are one and the same people. In many  
2 other respects, the American people are one; and the government which is alone capable of controlling and  
3 managing their interests in all these respects is the government of the Union. It is their government, and in  
4 that character they have no other. America has chosen to [130 U.S. 581, 605] be in many respects, and  
5 to many purposes, a nation; and for all these purposes her government is complete; to all these objects, it is  
6 competent. The people have declared that in the exercise of all powers given for these objects it is supreme. It  
7 can, then, in effecting these objects, legitimately control all individuals or governments within the American  
8 territory.”

9  
10 [...] 11

12 “The power of exclusion of foreigners being an incident of sovereignty belonging to the government of the  
13 United States as a part of those sovereign powers delegated by the constitution, the right to its exercise at any  
14 time when, in the judgment of the government, the interests of the country require it, cannot be granted away or  
15 restrained on behalf of any one. The powers of government are delegated in trust to the United States, and are  
16 incapable of transfer to any other parties. They cannot be abandoned or surrendered. Nor can their exercise  
17 be hampered, when needed for the public good, by any considerations of private interest. The exercise of  
18 these public trusts is not the subject of barter or contract.”  
19 [*Chae Chan Ping v. U.S.*, 130 U.S. 581 (1889)]

20 A picture is worth a thousand words. Below is a picture that graphically demonstrates the relationship between citizenship  
21 status in Title 8 of the U.S. Code with tax status in Title 26 of the U.S. Code:

1 **Table 9: “Citizenship status” vs. “Income tax status”**

| #   | Citizenship status   | Place of birth      | Domicile  | Accepting tax treaty benefits? | Defined in  | Tax Status under 26 U.S.C./Internal Revenue Code  |  |   |   |
|-----|--|---------------------|---|--------------------------------|---|---|--|---|---|
|     |  |                     |   |                                |   | “Citizen”<br>(defined in 26 CFR 1.1-1)  | “Resident alien”<br>(defined in 26 U.S.C. §7701(b)(1)(A), 26 CFR §1.1441-1(c)(3)(i) and 26 CFR §1.1-1(a)(2)(ii)) | “Nonresident alien INDIVIDUAL”<br>(defined in 26 CFR §1.1441-1(c)(3)) | “Nonresident alien NON-individual”<br>(defined in 26 U.S.C. §7701(b)(1)(B)) |
| 1   | “U.S. citizen” or “Statutory U.S. citizen”                                   | Anywhere in America | District of Columbia, Puerto Rico, Guam, Virgin Islands                                     | NA                             | 8 U.S.C. §1401; 8 U.S.C. §1101(a)(22)(A);   | Yes (only pay income tax abroad with IRS Forms 1040/2555. See Cook v. Tait, 265 U.S. 47 (1924)) | No   | No  | No  |
| 2   | “U.S. national”  | Anywhere in America | American Samoa; Swain’s Island; or abroad to U.S. national parents under 8 U.S.C. §1408(2)  | NA                             | 8 U.S.C. §1408 8 U.S.C. §1101(a)(22)(B); 8 U.S.C. §1452                                       | No (see 26 U.S.C. §7701(b)(1)(B))   | No   | Yes (see IRS Form 1040NR for proof)                                   | No  |
| 3.1 | “national” or “state national” or “Constitutional but not statutory citizen” | Anywhere in America | State of the Union  | NA (ACTA agreement)            | 8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1; 8 U.S.C. §1101(a)(3) | No  | No   | No  | Yes   |
| 3.2 | “national” or “state national” or “Constitutional but not statutory citizen” | Anywhere in America | Foreign country   | Yes                            | 8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1; 8 U.S.C. §1101(a)(3) | No  | No   | Yes   | No  |
| 3.3 | “national” or “state national” or “Constitutional but not statutory citizen” | Anywhere in America | Foreign country   | No                             | 8 U.S.C. §1101(a)(21); 8 U.S.C. §1452; 14 <sup>th</sup> Amend., Sect. 1; 8 U.S.C. §1101(a)(3) | No  | No   | No  | Yes   |
| 4.1 | “alien” or “Foreign national”  | Foreign country     | Puerto Rico, Guam, Virgin Islands, American Samoa, Commonwealth of Northern Mariana Islands | NA                             | 8 U.S.C. §1101(a)(3)  | No  | Yes  | No  | No  |
| 4.2 | “alien” or “Foreign national”  | Foreign country     | State of the Union  | Yes                            | 8 U.S.C. §1101(a)(3)  | No  | No   | Yes   | No  |
| 4.3 | “alien” or “Foreign national”  | Foreign country     | State of the Union  | No                             | 8 U.S.C. §1101(a)(3)  | No  | No   | No  | Yes   |
| 4.4 | “alien” or “Foreign national”  | Foreign country     | Foreign country   | Yes                            | 8 U.S.C. §1101(a)(3)  | No  | No   | Yes   | No  |
| 4.5 | “alien” or “Foreign national”  | Foreign country     | Foreign country   | No                             | 8 U.S.C. §1101(a)(3)  | No  | No   | No  | Yes   |

2 **NOTES:**

- 3 1. A nonresident alien individual who has made an election under 26 U.S.C. §6013(g) and (h) to be treated as a resident alien is treated as a “nonresident alien” for the
- 4 purposes of withholding under I.R.C. Subtitle C but retains their status as a “resident alien” under I.R.C. Subtitle A. See 26 CFR §1.1441-1(c)(3)(ii).

**Nonresident Alien Position**

Copyright Sovereignty Education and Defense Ministry, <http://sedm.org>  
Form 05.020, Rev. 9-20-2009



- 1 2. What turns a “nonresident alien NON-individual” into a “nonresident alien individual” is:  
2 2.1. Being an an alien and NOT a “national” AND  
3 2.2. Meets one or more of the following two criteria found in 26 CFR §1.1441-1(c )(3)(ii):  
4 2.2.1. Residence/domicile in a foreign country under the residence article of an income tax treaty and 26 CFR §301.7701(b)-7(a)(1).  
5 2.2.2. Residence/domicile as an alien in Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as  
6 determined under 26 CFR §301.7701(b)-1(d).  
7 3. If you were born in a state of the Union and maintain a domicile there, then you are described in item 3.1 of the table.  
8 4. All “taxpayers” are aliens or “nonresident aliens”. You cannot be a “citizen” and a taxpayer at same time. The definition of “individual” found in 26 CFR §1.1441-  
9 1(c )(3) does NOT include “citizens”. The only occasion where a “citizen” can also be an “individual” is when they are abroad under 26 U.S.C. §911 and interface  
10 to the I.R.C. under a tax treaty with a foreign country as an alien pursuant to 26 CFR §301.7701(b)-7(a)(1)

11 *And when he had come into the house, Jesus anticipated him, saying, "What do you think, Simon? From whom do the kings [governments] of the earth [lawfully] take*  
12 *customs or taxes, from their sons [citizens and subjects] or from strangers ["aliens", which are synonymous with "residents" in the tax code, and exclude "citizens"]?"*

13 *Peter said to Him, "From strangers ["aliens"/"residents" ONLY. See 26 CFR §1.1-1(a)(2)(ii) and 26 CFR §301.6109-1(d)(3)]."*

14 *Jesus said to him, "Then the sons ["citizens" of the Republic, who are all sovereign "nationals" and "nonresident aliens" under federal law] are free [sovereign over*  
15 *their own person and labor. e.g. SOVEREIGN IMMUNITY]."*  
16 *[Matt. 17:24-27, Bible, NKJV]*

1 It is a maxim of law that things with similar but not identical names are NOT the same in law:

2 *Talis non est eadem, nam nullum simile est idem.*

3 *What is like is not the same, for nothing similar is the same.* 4 Co. 18.

4 [*Bouvier's Maxims of Law*, 1856;

5 SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviereMaxims.htm>]

6 We prove extensively on this website that the only persons who are "taxpayers" within the Internal Revenue Code are  
7 "resident aliens". Here is just one example:

8 *NORMAL TAXES AND SURTAXES*

9 *DETERMINATION OF TAX LIABILITY*

10 *Tax on Individuals*

11 *Sec. 1.1-1 Income tax on individuals.*

12 *(a)(2)(ii) For taxable years beginning after December 31, 1970, the tax imposed by section 1(d), as amended by*  
13 *the Tax Reform Act of 1969, shall apply to the income effectively connected with the conduct of a trade or*  
14 *business in the United States by a **married alien individual who is a nonresident of the United States for all or***  
15 ***part of the taxable year or by a foreign estate or trust.** For such years the tax imposed by section 1(c), as*  
16 *amended by such Act, shall apply to the income effectively connected with the conduct of a trade or business in*  
17 *the United States by an **unmarried alien individual (other than a surviving spouse) who is a nonresident of***  
18 ***the United States for all or part of the taxable year.** See paragraph (b)(2) of section 1.871-8." [26 CFR §1.1-*  
19 *1(a)(2)(ii)]*

20 It is a self-serving, malicious attempt to STEAL from the average American for the IRS to confuse a "non-citizen national"  
21 who is a "nonresident alien" and a "nontaxpayer" with a "resident alien taxpayer". This sort of abuse MUST be stopped  
22 IMMEDIATELY. These sort of underhanded and malicious tactics:

## 23 **16.2 Not offering an option on the W-8BEN form to accurately describe the status of non-citizen** 24 **nationals who are "nonresidents" but not "individuals"**

25 *"The foregoing considerations would lead, in case of doubt, to a construction of any statute as intended to be*  
26 *confined in its operation and effect to the territorial limits over which the lawmaker has general and*  
27 *legitimate power. 'All legislation is prima facie territorial.' Ex parte Blain, L. R. 12 Ch. Div. 522, 528; State*  
28 *v. Carter, 27 N. J. L. 499; People v. Merrill, 2 Park. Crim. Rep. 590, 596. Words having universal scope, such*  
29 *as 'every contract in restraint of trade,' 'every person who shall monopolize,' etc., will be taken, as a matter of*  
30 *course, to mean only everyone subject to such legislation [e.g. "individuals" with a domicile on federal*  
31 *territory who are therefore subject to the civil laws of Congress], not all that the legislator subsequently may*  
32 *be able to catch. In the case of the present statute, the improbability of the United States attempting to make*  
33 *acts done in Panama or Costa Rica criminal is obvious, yet the law begins by making criminal the acts for*  
34 *which it gives a right to sue. We think it entirely plain that what the defendant did in Panama or Costa Rica is*  
35 *not within the scope of the statute so far as the present suit is concerned. Other objections of a serious nature*  
36 *are urged, but need not be discussed."*

37 [*American Banana Co. v. U.S. Fruit*, 213 U.S. 347 at 357-358]

38 The term "individual" is provided in Block 3 of the Standard IRS Form W-8BEN. Like the "beneficial owner" scam above,  
39 it too has a malicious intent/aspect:

- 40 1. Like the term "beneficial owner", it is associated with statutory creations of Congress engaged in federal privileges,  
41 "public rights", and "public offices." The only way you can be subject to the code is to engage in a franchise. Those  
42 who are not privileged cannot refer to themselves as anything described in any government statute, which is reserved  
43 only for government officers, agencies, and instrumentalities and not private persons. See:

*Why Statutory Civil Law is Law for Government and Not Private Persons*, Form #05.037

<http://sedm.org/Forms/FormIndex.htm>

- 44 2. The term "individual" appears in 26 CFR §1.6012-1(b), where "nonresident alien individuals" are made liable to file  
45 tax returns. However, "nonresident aliens" who are NOT "individuals" are nowhere mentioned as having any duty to  
46 do anything. Consequently, **YOU DON'T WANT TO DESCRIBE YOURSELF AS AN "INDIVIDUAL"**  
47 **BECAUSE THEN THEY CAN PROSECUTE YOU FOR FAILURE TO FILE A RETURN!** Some ways you can  
48 create a usually false presumption that you are an "individual" include:

49 2.1. Filing IRS Form 1040, which says "U.S. **INDIVIDUAL** Income Tax Return" in the upper left corner.

50 2.2. Applying for a "INDIVIDUAL Taxpayer Identification Number" (ITIN) using IRS Forms W-7 or W-9. Only

"aliens" can lawfully apply for such a number pursuant to [26 CFR §301.6109-1\(d\)\(3\)](#). If you were born in a state of the Union or on federal territory, you AREN'T an "alien". See:

*Why it is Illegal for Me to Request or Use a "Taxpayer Identification Number", Form #04.205*  
<http://sedm.org/Forms/FormIndex.htm>

2.3. Filling out the IRS Form W-8BEN and checking the box for "individual" in block 3.

2.4. Filling out any other government form and identifying yourself as an "Individual". If they don't have "Union state Citizen" or "transient foreigner" as an option, then ADD IT and CHECK IT!

Our *Tax Form Attachment*, Form #04.201, prevents the presumption from being created that you are an "individual" with any form you submit, even using standard IRS forms, by redefining the word "individual" so that it doesn't refer to the same word as used in any federal law, but instead refers ONLY to the common and NOT the legal definition. This, in effect, prevents what the courts call "compelled association". That is why our Member Agreement, Form #01.001 specifies that you MUST attach the Tax Form Attachment to any standard tax form you are compelled to submit: To protect you from being prosecuted for tax crimes under the I.R.C. by preventing you from being connected to any federal franchise or obligation.

3. The term "[individual](#)", like that of "[beneficial owner](#)", is nowhere defined anywhere in the Internal Revenue Code and it is EXTREMELY dangerous to describe yourself as anything that isn't defined statutorily, because you just invite people to make prejudicial presumptions about your status. The term "individual" is only defined in the treasury regulations. The definition in the regulations is found at 26 CFR §1.1441-1(c)(3)(i):

[26 CFR 1.1441-1 Requirement for the deduction and withholding of tax on payments to foreign persons.](#)

**(c) Definitions**

**(3) Individual.**

(i) Alien individual.

***The term alien individual means an individual who is not a citizen or a national of the United States. See Sec. 1.1-1(c).***

(ii) Nonresident alien individual.

*The term nonresident alien individual means a person described in section 7701(b)(1)(B), an alien individual who is a resident of a foreign country under the residence article of an income tax treaty and Sec. 301.7701(b)-7(a)(1) of this chapter, or an alien individual who is a resident of Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as determined under Sec. 301.7701(b)-1(d) of this chapter. An alien individual who has made an election under section 6013 (g) or (h) to be treated as a resident of the United States is nevertheless treated as a nonresident alien individual for purposes of withholding under chapter 3 of the Code and the regulations thereunder.*

Do you see statutory "[U.S. citizens](#)" (which are defined under [8 U.S.C. §1401](#)) mentioned above under the definition of "[individual](#)" in 26 CFR §1.1441-1(c)(3)? They aren't there, which means the only way they can become "taxpayers" is to visit a foreign country and become an "alien" under the terms of a tax treaty with a foreign country under the provisions of [26 U.S.C. §911](#). When they do this, they attach IRS form 2555 to the IRS Form 1040 that they file. Remember: The 1040 form is for "U.S. persons", which includes statutory "U.S. citizens" and "residents", both of whom have a domicile on federal territory, which is what the term "[United States](#)" is defines as in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and 4 U.S.C. §110(d).

In fact, the only place that the term "individual" is statutorily defined that we have found is in [5 U.S.C. §552a\(a\)\(2\)](#), which means:

[TITLE 5 - GOVERNMENT ORGANIZATION AND EMPLOYEES](#)  
[PART I > CHAPTER 5 > SUBCHAPTER II > § 552a](#)  
[§ 552a. Records maintained on individuals](#)

(a) Definitions.— For purposes of this section—

(2) the term "individual" means a citizen of the United States or an alien lawfully admitted for permanent residence;

The above statute is the Privacy Act, which regulates IRS use and protection of your tax information. Notice that:

***Nonresident Alien Position***

Copyright Sovereignty Education and Defense Ministry, <http://sedm.org>  
Form 05.020, Rev. 9-20-2009

**151 of 327**

EXHIBIT: \_\_\_\_\_



1. "nonresident aliens" don't appear there and therefore are implicitly excluded. Expressio unius est exclusio alterius.
2. The "individual" they are referring to must meet the definitions found in BOTH 5 U.S.C. §552a(a)(2) and 26 CFR §1.1441-1(c)(3) because the Privacy Act is also the authority for protecting tax records, which means he or she or it can ONLY be a "resident", meaning an alien with a domicile on federal territory called the "United States\*\*". Therefore, those who claim to be "individuals" indirectly are making a usually invisible election to be treated as a "resident", which is an alien with a domicile in "United States\*\*" federal territory. Nonresident aliens are nowhere mentioned in the Privacy Act.
3. The code section is under [Title 5 of the U.S. Code](#), which is called "GOVERNMENT ORGANIZATION AND EMPLOYEES". They are treating you as part of the government, even though you aren't. The reason is that unless you have a domicile on federal territory (which is what "[United States](#)" is defined as under I.R.C. Subtitle A in [26 U.S.C. §§7701\(a\)\(9\) and \(a\)\(10\)](#) and 4 U.S.C. §110(d)) or have income connected with a "[trade or business](#)", which is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as "the functions of a public office", you can't be a "taxpayer" without at least volunteering by submitting an IRS form W-4, which effectively amounts to an "election" to become a "public officer" and a "Kelly Girl" on loan to your private employer from Uncle Sam.

What the IRS form W-8BEN is doing is fooling you into admitting that you are an "[individual](#)" as defined above, which means that you just made an election or choice to become a "[resident alien](#)" instead of a "nonresident alien". They don't have any lawful authority to maintain records on "nonresident aliens" under the Privacy Act, so you have to become a "resident" by filling out one of their forms and lying about your status by calling yourself an "individual" so they have permission from you to do so. Instead, what you really are is a "transient foreigner"

*"Transient foreigner. One who visits the country, without the intention of remaining."  
[Black's Law Dictionary, Sixth Edition, p. 1498]*

Our [Amended IRS Form W-8BEN](#) solves this problem by adding an additional option indicating "Union State Citizen" under Block 3 of the form and by putting the phrase "(public officer)" after the word "individual". As an alternative, you could make your own Substitute form as authorized by [IRS Form W-8 Instructions for Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMF, Catalog 26698G](#) and add an option for Block 3 called "transient foreigner". Either way, you have deprived the IRS of the ability to keep records about you because you do not fit the definition of "individual", as required by the [Privacy Act](#) above. If you don't want to be subject to the code, you can't be submitting government paperwork and signing it under penalty of perjury that indicates that you fit the description of anyone or anything that they have jurisdiction over.

For more information about how they have to make you into a "[resident](#)" (alien) and an "individual" and a "[public officer](#)" within the government to tax you, see the following informative resources:

1. [Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes](#), Form #05.008  
<http://sedm.org/Forms/FormIndex.htm>
2. [Government Instituted Slavery Using Franchises](#), Form #05.030  
<http://sedm.org/Forms/FormIndex.htm>
3. [Proof That There Is a "Straw Man"](#), Form #05.042  
<http://sedm.org/Forms/FormIndex.htm>
4. [Why Statutory Civil Law is Law for Government and Not Private Persons](#), Form #05.037  
<http://sedm.org/Forms/FormIndex.htm>
5. [Who are "Taxpayers" and Who Needs a "Taxpayer Identification Number"?](#), Form #05.013  
<http://sedm.org/Forms/FormIndex.htm>

### **16.3 Excluding "Not subject" from Government Forms and offering only "Exempt"**

Another devious technique frequently used on government forms to trick "nonresident aliens" into making an unwitting election to become "resident aliens" is:

1. Omit the "not subject" option.
4. Present the "exempt" option as the only method for avoiding the liability described.
5. Define the term "exempt" to exclude persons who are "not subject".

1 This form of abuse exploits the common false presumption among most Americans, which is the following: Government  
2 form presents ALL of the lawful options available to avoid the liability described. In fact, government is famous for  
3 limiting options in order to advantage or benefit them. In effect, they are constraining your options to compel you to select  
4 the lesser of evils and remove the ability to avoid all evil. This devious technique is also called an “adhesion contract”. In  
5 summary, they are violating the First Amendment by instituting compelled association in which you are coerced to engage  
6 in commercial activity with them and become subject to their pagan laws.

7 There are two ways that one can use to describe oneself on government forms:

- 8 1. “Exempt”. This is a person who is otherwise subject to the provision of law administering the form because they are  
9 an “individual” or “person” and yet who is expressly made exempt by a particular provision of the statutes forming the  
10 franchise agreement. This option appears on most government forms.
- 11 2. “Not subject”. This would be equivalent to a “nontaxpayer” who is not a “person” or franchisee within the meaning of  
12 the statute in question. You almost never see this option on government forms.

13 There is a world of difference between these two statuses and we MUST understand the difference before we can know  
14 whether or how to fill out a specific government form describing our status. In this section we will show you how to  
15 choose the correct status above and all the affects that this status has on how we fill out government forms.

16 We will begin our explanation with an illustration. If you are domiciled in California, you would describe yourself as  
17 “subject” to the laws in California. However, in relation to the laws of every other civil jurisdiction outside of California,  
18 you would describe yourself as:

- 19 1. “Not subject” to the civil laws of that place unless you are physically visiting that place.
- 20 2. Not ANYTHING described in the civil law that the government has jurisdiction over or may impose a “duty” upon,  
21 such as a “person”, “individual”, “taxpayer”, etc.
- 22 3. Not a “foreign person” because not a “person” under the civil law.
- 23 4. “foreign”.
- 24 5. A “nonresident”.
- 25 6. A “transient foreigner”.

26 A human being who is domiciled in California, for instance, would not be subject to the civil laws of China unless he was  
27 either visiting China or engaged in commerce within the legislative jurisdiction of China with people who were domiciled  
28 there and therefore protected by the civil laws there. He would not describe himself as being “exempt” from the laws of  
29 China, because one cannot be “exempt” without FIRST also being “subject” by having a domicile or residence within that  
30 foreign jurisdiction. Another way of stating this is that he would not be a “person” under the civil laws of China and would  
31 be “foreign” unless and until he either physically moved there or changed his domicile or residence to that place and  
32 thereby became a “protected person” subject to the civil jurisdiction of the Chinese government.

33 All income taxation within the United States of America takes the form of an excise tax upon an “activity” implemented by  
34 the civil law. In the case of the Internal Revenue Code, Subtitle A, that activity is called a “trade or business”. This fact  
35 exhaustively proven in the following amazing article:

*The “Trade or Business” Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

36 A “trade or business” is then defined in 26 U.S.C. §7701(a)(26) as follows:

37 [TITLE 26 > Subtitle F > CHAPTER 79 > § 7701](#)  
38 [§ 7701. Definitions](#)

39 (a) *When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent*  
40 *thereof—*

41 (26) “The term ‘trade or business’ includes the performance of the functions [activities] of a public office.”

42 Those who therefore lawfully engage in a public office in the U.S. government BEFORE they sign or submit any tax form  
43 are then described as a “franchisee” called a “taxpayer” under the terms of the excise tax or franchise agreement codified in

Internal Revenue Code, Subtitle A. Those who are not “public officers” also cannot lawfully “elect” themselves into “public office” by signing or submitting a tax form either, because this would constitute impersonating an officer or employee of the government in violation of 18 U.S.C. §912. This is confirmed by 26 U.S.C. §7701(a)(31), which describes all those who are nonresident within the “United States” (federal territory not within any state of the Union) and not engaged in the “trade or business”/“public office” activity as being a “foreign estate”, which simply means “not subject”, to the Internal Revenue Code, Subtitle A franchise or excise tax:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > § 7701  
[§ 7701. Definitions](#)

(31) *Foreign estate or trust*

(A) *Foreign estate*

*The term “foreign estate” means an estate the income of which, from sources without the United States which is **not effectively connected with the conduct of a trade or business within the United States**, is not includible in gross income under subtitle A.*

The entity or “person” described above would NOT be “exempt”, but rather simply “not subject”. The reason is that the term “exempt” has a specific legal definition that does not include the situation above. Notice that the term “exempt” is used along with the word “individual”, meaning that you must be a “person” and an “individual” BEFORE you can call yourself “exempt”:

[TITLE 26](#) > [Subtitle F](#) > [CHAPTER 79](#) > Sec. 7701.  
[Sec. 7701. - Definitions](#)

(b)(5) **Exempt individual defined**

*For purposes of this subsection -*

(A) *In general*

*An individual is an exempt individual for any day if, for such day, such individual is -*

(i) *a foreign government-related individual,*

(ii) *a teacher or trainee,*

(iii) *a student, or*

(iv) *a professional athlete who is temporarily in the United States to compete in a charitable sports event described in section 274(l)(1)(B).*

(B) *Foreign government-related individual*

*The term “foreign government-related individual” means any individual temporarily present in the United States by reason of -*

(i) *diplomatic status, or a visa which the Secretary (after consultation with the Secretary of State) determines represents full-time diplomatic or consular status for purposes of this subsection,*

(ii) *being a full-time employee of an international organization, or*

(iii) *being a member of the immediate family of an individual described in clause (i) or (ii).*

(C) *Teacher or trainee*

*The term “teacher or trainee” means any individual -*

(i) *who is temporarily present in the United States under subparagraph (J) or (Q) of section 101(15) of the Immigration and Nationality Act (other than as a student), and*



(ii) who substantially complies with the requirements for being so present.

(D) Student

The term "student" means any individual -

(i) who is temporarily present in the United States -

(I) under subparagraph (F) or (M) of section 101(15) of the Immigration and Nationality Act, or

(II) as a student under subparagraph (J) or (Q) of such section 101(15), and (ii) who substantially complies with the requirements for being so present.

(E) Special rules for teachers, trainees, and students

(i) Limitation on teachers and trainees

An individual shall not be treated as an exempt individual by reason of clause (ii) of subparagraph (A) for the current year if, for any 2 calendar years during the preceding 6 calendar years, such person was an exempt person under clause (ii) or (iii) of subparagraph (A). In the case of an individual all of whose compensation is described in section 872(b)(3), the preceding sentence shall be applied by substituting "4 calendar years" for "2 calendar years".

(ii) Limitation on students

For any calendar year after the 5th calendar year for which an individual was an exempt individual under clause (ii) or (iii) of subparagraph (A), such individual shall not be treated as an exempt individual by reason of clause (iii) of subparagraph (A), unless such individual establishes to the satisfaction of the Secretary that such individual does not intend to permanently reside in the United States and that such individual meets the requirements of subparagraph (D)(ii).

The Internal Revenue Code itself does not and cannot regulate the conduct of those who are not "taxpayers".

*"Revenue Laws relate to taxpayers [officers, employees, and elected officials of the Federal Government] and not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the Federal Government]. The latter are without their scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of law. With them[non-taxpayers] Congress does not assume to deal and they are neither of the subject nor of the object of federal revenue laws." [Economy Plumbing & Heating v. U.S., 470 F2d. 585 (1972)]*

Consequently, all tax forms you fill out PRESUPPOSE that the applicant filling it out is a franchisee called a "taxpayer" that occupies a public office within the U.S. government and who is therefore a "person" or an "individual". Since the Internal Revenue Code is civil law, it also must presuppose that all "persons" or "individuals" described within it are domiciled on federal territory that is no part of a state of the Union. This is confirmed by the definition of "United States" found in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d), which is defined as federal territory and not part of any state of the Union. If you do not lawfully occupy such a public office, it would therefore constitute fraud and impersonating a public officer in violation of 18 U.S.C. §912 to even fill such a form out. If a company hands a "nontaxpayer" a tax form to fill out, the only proper response is ALL of the following, and any other response will result in the commission of a crime:

1. To not complete or sign any provision of the form.
2. To line out the entire form.
3. To write above the line "Not Applicable".
4. To NOT select the "exempt" option within the form or select any status at all on the form. If you aren't subject to the Internal Revenue Code because you don't have a domicile on federal territory and don't engage in taxable activities, then you can't be described as a "person", "individual", "taxpayer", or anything else who might be subject to the I.R.C.

*"The foregoing considerations would lead, in case of doubt, to a construction of any statute as intended to be confined in its operation and effect to the territorial limits over which the lawmaker has general and legitimate power. 'All legislation is prima facie territorial.' Ex parte Blain, L. R. 12 Ch. Div. 522, 528; State v. Carter, 27 N. J. L. 499; People v. Merrill, 2 Park. Crim. Rep. 590, 596. Words having universal scope, such as 'every contract in restraint of trade,' 'every person who shall monopolize,' etc., will be taken, as a matter of course, to mean only everyone subject to such legislation, not all that the legislator subsequently may be able*

1 to catch. In the case of the present statute, the improbability of the United States attempting to make acts done  
2 in Panama or Costa Rica criminal is obvious, yet the law begins by making criminal the acts for which it gives  
3 a right to sue. We think it entirely plain that what the defendant did in Panama or Costa Rica is not within the  
4 scope of the statute so far as the present suit is concerned. Other objections of a serious nature are urged, but  
5 need not be discussed."  
6 [*American Banana Co. v. U.S. Fruit*, 213 U.S. 347 at 357-358]

- 7 5. To either not return the form to the person who asked for it or to return it with the modifications above.  
8 6. If you return the form to the person who asked for it, to clarify on the form why you are not "exempt", but rather "not  
9 subject".  
10 7. To attach the following form to the tax form:

Tax Form Attachment, Form #04.201  
<http://sedm.org/Forms/FormIndex.htm>

11 Another alternative to all the above would be to simply add a "Not subject" option or to select "Exempt" and then redefine  
12 the word to add the "not subject" option to the definition. Then you could attach the Tax Form Attachment mentioned  
13 above, which also redefines words on the government form to immunize yourself from government jurisdiction.

14 If we had an honorable government that loved the people under its care and protection more than it loved deceiving you out  
15 of and stealing your money, then they would indicate at the top of the form in big bold letters EXACTLY what laws are  
16 being enforced and who the intended audience is so that those who are not required to fill it out would not do so. However,  
17 if they did that, hardly anyone would ever pay taxes again. Of this SCAM, the Bible and a famous bible commentary says  
18 the following:

19 "Getting treasures by a lying tongue [or by deliberate omission intended to deceive] is the fleeting fantasy of  
20 those who seek death."  
21 [*Prov. 21:6*, Bible, NKJV]

22 "As religion towards God is a branch of universal righteousness (he is not an honest man that is not devout), so  
23 righteousness towards men is a branch of true religion, for he is not a godly man that is not honest, nor can  
24 he expect that his devotion should be accepted; for, 1. Nothing is more offensive to God than deceit in  
25 commerce. A false balance is here put for all manner of unjust and fraudulent practices [of our public dis-  
26 servants] in dealing with any person [within the public], which are all an abomination to the Lord, and  
27 render those abominable [hated] to him that allow themselves in the use of such accursed arts of thriving. It  
28 is an affront to justice, which God is the patron of, as well as a wrong to our neighbour, whom God is the  
29 protector of. Men [in the IRS and the Congress] make light of such frauds, and think there is no sin in that  
30 which there is money to be got by, and, while it passes undiscovered, they cannot blame themselves for it; a  
31 blot is no blot till it is hit, Hos. 12:7, 8. But they are not the less an abomination to God, who will be the  
32 avenger of those that are defrauded by their brethren. 2. Nothing is more pleasing to God than fair and  
33 honest dealing, nor more necessary to make us and our devotions acceptable to him: A just weight is his  
34 delight. He himself goes by a just weight, and holds the scale of judgment with an even hand, and therefore is  
35 pleased with those that are herein followers of him. A balance cheats, under pretence of doing right most  
36 exactly, and therefore is the greater abomination to God."  
37 [Matthew Henry's Commentary on the Whole Bible; Henry, M., 1996, c1991, under Prov. 11:1]

38 In the case of income tax forms, for instance, the warning described above would say the following:

- 39 1. This form is only intended for those who satisfy all the following conditions:  
40 1.1. "taxpayer" as defined in 26 U.S.C. §7701(a)(14):

41 "Revenue Laws relate to taxpayers [officers, employees, and elected officials of the Federal Government] and  
42 not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the  
43 Federal Government]. The latter are without their scope. No procedures are prescribed for non-taxpayers and  
44 no attempt is made to annul any of their Rights or Remedies in due course of law. With them[non-taxpayers]  
45 Congress does not assume to deal and they are neither of the subject nor of the object of federal revenue laws."  
46 [Economy Plumbing & Heating v. U.S., 470 F2d. 585 (1972)]

- 47 1.2. Lawfully engaged in a "public office" in the U.S. government, which is called a "trade or business" in the  
48 Internal Revenue Code, Subtitle A at 26 U.S.C. §7701(a)(26).  
49 1.3. Exercising the public office ONLY within the District of Columbia as required by 4 U.S.C. §72, which is within  
50 the only remaining internal revenue district, as confirmed by Treasury Order 150-02.  
51 6. If you do not satisfy all the requirements indicated above, then you DO NOT need to fill out this form, nor can you  
52 claim the status of "exempt".

7. This form is ONLY for use by “taxpayers”. If you are a “nontaxpayer”, then we don’t have a form you can use to document your status. This is because our mission statement only allows us to help “taxpayers”. It is self-defeating to help “nontaxpayers” because it only undermines our revenue and importance. We are a business and we only focus our energies on things that make money for us, such as deceiving “nontaxpayers” into thinking they are “taxpayers”. That is why we don’t put a “nontaxpayer” or “not subject” option on our forms: Because we want to self-servingly and prejudicially presume that EVERYONE is engaged in our franchise and subject to our plunder and control.

IRM 1.1.1.1 (02-26-1999)  
IRS Mission and Basic Organization

The IRS Mission: **Provide America’s taxpayers top quality service** by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.

We hope that you have learned from this section that:

1. He who makes the rules or the forms always wins the game. The power to create includes the power to define.
2. All government forms are snares or traps designed to trap the innocent and ignorant into servitude to the whims of corrupted politicians and lawyers.

“The Lord is well pleased for His righteousness’ sake; **He will exalt the law and make it honorable. But this is a people robbed and plundered!** [by the IRS] **All of them are snared in [legal] holes [by the sophistry of greedy IRS lawyers], and they are hidden in prison houses; they are for prey, and no one delivers; for plunder, and no one says, “Restore!”**”.

Who among you will give ear to this? Who will listen and hear for the time to come? Who gave Jacob for plunder, and Israel to the robbers? [IRS] Was it not the Lord, He against whom we have sinned? For they would not walk in His ways, nor were they obedient to His law, therefore He has poured on him the fury of His anger and the strength of battle; it has set him on fire all around, yet he did not know; and it burned him, yet he did not take it to heart.”  
[Isaiah 42:21-25, Bible, NKJV]a

3. The snare is the presumptions which they deliberately do not disclose on the forms and which are buried in the “words of art” contained in their void for vagueness codes. See:

Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction, Form #05.017  
<http://sedm.org/Forms/FormIndex.htm>

4. The main reason for reading and learning the law is to reveal all the presumptions and deceptive “words of art” that are hidden on government forms so that you can avoid them.

“My [God’s] people are destroyed [and enslaved] for lack of knowledge [of God’s Laws and the lack of education that produces it].”  
[Hosea 4:6, Bible, NKJV]

“And thou shalt teach them ordinances and laws [of both God and man], and shalt shew them the way wherein they must walk, and the work [of obedience to God] that they must do.”  
[Exodus 18:20, Bible, NKJV]

“This **Book of the Law shall not depart from your mouth, but you shall meditate in it day and night, that you may observe to do according to all that is written in it.** For then you will make your way prosperous, and then you will have good success. Have I not commanded you? Be strong and of good courage; do not be afraid, nor be dismayed, for the LORD your God is with you wherever you go.”  
[Joshua 1:8-9, Bible, NKJV]

5. Government forms deliberately do not disclose the presumptions that are being made about the proper audience for the form in order to maximize the possibility that they can exploit your legal ignorance to induce you to make a “tithe” to their state-sponsored civil religion and church of socialism. That religion is exhaustively described below:

Socialism: The New American Civil Religion, Form #05.016  
<http://sedm.org/Forms/FormIndex.htm>

6. All government forms are designed to encourage you to waive sovereign immunity and engage in commerce with the government. Government does not make forms for those who refuse to do business with them such as “nontaxpayers”, “nonresidents”, or “transient foreigners”. If you want a form that accurately describes your status as a “nontaxpayer” and which preserves your sovereignty and sovereign immunity, you will have to design your own. Government is



*never* going to make it easy to reduce their own revenues, importance, power, or control over you. Everyone in the government is there because they want the largest possible audience of “customers” for their services. Another way of saying this is that they are going to do everything within their power to rig things so that it is impossible to avoid contracting with or doing business with them. This approach has the effect of compelling you to contract with them in violation of Article 1, Section 10 of the Constitution, which is supposed to protect your right to NOT contract with the government.

7. The Thirteenth Amendment prohibits involuntary servitude. Consequently, the government cannot lawfully impose any duty, including the duty to fill out or submit a government form. Therefore, you should view every opportunity that presents itself to fill out a government form as an act of contracting away your rights.
8. In the case of government tax forms, the purpose of all government tax forms is to ask the following presumptuous and prejudicial question:

“What kind of ‘taxpayer’ are you?”

. . .rather than the question:

“Are you a ‘taxpayer’?”

The above approach results in what the legal profession refers to as a “leading question”, which is a question contaminated by a prejudicial presumption and therefore inadmissible as evidence. Federal Rule of Evidence 611(c) expressly forbids such leading questions to be used as evidence, which is also why no IRS form can really qualify as evidence that can be used against anyone: It doesn’t offer a “nontaxpayer” or a “foreigner” option. An example of such a question is the following:

“Have you always beat your wife?”

The presumption hidden within the above leading question is that you are a “wife beater”. Replace the word “wife beater” with “taxpayer” and you know the main method by which the IRS stays in business.

## **16.4 “Nonresident alien individuals” v. “Nonresident alien NONindividuals”**

Another devious technique frequently used on government forms to trick “nonresident aliens” into become “resident aliens” subject to federal jurisdiction is add the word “individual” to the term “nonresident alien” and to define an “individual” as a person subject to federal jurisdiction and engaged in the “trade or business” franchise. There are two types of “nonresident aliens”:

1. “Nonresident alien individuals”. These persons are described as subject to federal law and having a requirement to file a tax return found in 26 CFR §1.6012-1(b).
2. “Nonresident aliens” who are NOT “individuals”. These entities are not “individuals” and therefore not “persons” subject to any provision of federal law.

One cannot be an “individual” without also being a “person”, pursuant to 26 U.S.C. §7701(c). One can also be a “nonresident alien” without being a “nonresident alien individual” and this is the only status that is truly sovereign and foreign in respect to federal jurisdiction. The only way you are going to be free and sovereign is to have a status that is not completely defined in the I.R.C., which is private law and a franchise agreement relating only to “taxpayers”. If you are not a franchisee called a “taxpayer” and are therefore not subject to the franchise agreement, then it cannot describe you or impose any duty upon you.

*“Revenue Laws relate to taxpayers [officers, employees, and elected officials of the Federal Government] and not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the Federal Government]. The latter are without their scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of law. With them[non-taxpayers] Congress does not assume to deal and they are neither of the subject nor of the object of federal revenue laws.”  
[Economy Plumbing & Heating v. U.S., 470 F2d. 585 (1972)]*

26 U.S.C. §7701(b)(1)(B) defines a “nonresident alien individual” as a person who is neither a citizen or a resident. The title of the section, however, indicates “nonresident alien” and not “nonresident alien individual”.

[26 U.S.C. §7701\(b\)\(1\)\(B\) Nonresident alien](#)

An individual is a nonresident alien if such individual is neither a citizen of the United States nor a resident of the United States (within the meaning of subparagraph (A)).

They very conveniently don't address those who are not "individuals" because they are "nontaxpayers" and yet who also meet the criteria of being neither a citizen nor resident of the United States.

This "individual" scam is also found on the IRS Form W-8BEN, which only offers "Individual" as an option for those who are human beings and does not offer simply "Transient foreigner", or "Union State Citizen", all of whom would NOT be subject to the I.R.C. We prove this in the following article:

About IRS Form W-8BEN, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>

If you want to avoid labeling yourself as a "individual" who is therefore a "person" subject to the I.R.C. and a "taxpayer", you will need to use an AMENDED IRS Form W-8BEN or modify the form yourself. The AMENDED version of the form is available in the article above. The two options it adds are "Transient foreigner" and "Union State Citizen" to block 3 of the form.

This section also brings up a bigger issue that relates to domicile. If you are a "nonresident" because you do not have a domicile within a jurisdiction, then you aren't subject to the civil laws of that jurisdiction unless you engage in commerce with that jurisdiction and therefore surrender sovereign immunity pursuant to the Foreign Sovereign Immunities Act, 28 U.S.C. §1605.

*In International Shoe Co. v. Washington, 326 U.S. 310 (1945), the Supreme Court held that a court may exercise personal jurisdiction over a defendant consistent with due process only if he or she has "certain minimum contacts" with the relevant forum "such that the maintenance of the suit does not offend 'traditional notions of fair play and substantial justice.' " Id. at 316 (quoting Milliken v. Meyer, 311 U.S. 457, 463 (1940)).*  
**Unless a defendant's contacts with a forum are so substantial, continuous, and systematic that the defendant can be deemed to be "present" in that forum for all purposes, a forum may exercise only "specific" jurisdiction - that is, jurisdiction based on the relationship between the defendant's forum contacts and the plaintiff's claim.**

[ . . . ]

In this circuit, we analyze specific jurisdiction according to a three-prong test:

- (1) The non-resident defendant must **purposefully direct his activities or consummate some transaction with the forum or resident thereof**; or perform some act by which he purposefully avails himself of the privilege of conducting activities in the forum, thereby invoking the benefits and protections of its laws;
- (2) the claim must be one which arises out of or relates to the defendant's forum-related activities; and
- (3) the exercise of jurisdiction must comport with fair play and substantial justice, i.e. it must be reasonable.

*Schwarzenegger v. Fred Martin Motor Co., 374 F.3d 797, 802 (9th Cir. 2004) (quoting Lake v. Lake, 817 F.2d 1416, 1421 (9th Cir. 1987)). The first prong is determinative in this case. We have sometimes referred to it, in shorthand fashion, as the "purposeful availment" prong. Schwarzenegger, 374 F.3d at 802. Despite its label, this prong includes both purposeful availment and purposeful direction. It may be satisfied by purposeful availment of the privilege of doing business in the forum; by purposeful direction of activities at the forum; or by some combination thereof.*  
**[Yahoo! Inc. v. La Ligue Contre Le Racisme Et L'Antisemitisme, 433 F.3d 1199 (9th Cir. 01/12/2006)]**

A "nonresident alien" becomes a "nonresident alien individual" and thereby makes an "election" to be treated as a "person" and therefore an "individual" and a "resident alien" at the point that they engage in commerce with the United States government by participating in the "trade or business" franchise as a public officer in the U.S. government.

**26 CFR §301.7701-5 Domestic, foreign, resident, and nonresident persons.**

*A domestic corporation is one organized or created in the United States, including only the States (and during the periods when not States, the Territories of Alaska and Hawaii), and the District of Columbia, or under the law of the United States or of any State or Territory. A foreign corporation is one which is not domestic. A domestic corporation is a resident corporation even though it does no business and owns no property in the United States. **A foreign corporation engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident foreign corporation, and a foreign corporation not engaged in trade or business within the United States, as a nonresident foreign corporation.** A partnership engaged in*

trade or business within the United States is referred to in the regulations in this chapter as a resident partnership, and a partnership not engaged in trade or business within the United States, as a nonresident partnership. Whether a partnership is to be regarded as resident or nonresident is not determined by the nationality or residence of its members or by the place in which it was created or organized.  
[Amended by T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), Page 4967-4975]  
[SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Resident-26cfr301.7701-5.pdf>]

Without said participation, they are not an “individual” and retain their sovereign and “foreign” status. Only at that point when they waive sovereign immunity can they be subject to the laws of the sovereignty, a “resident” (alien), and a “person” subject to the civil law of that sovereign. If you refuse to engage in the commerce, which Blacks Law Dictionary defines as “intercourse”, with what the Bible refers to as “the Beast”, which is the government, you retain your sovereignty and sovereign immunity and cannot be described as an “Individual” or a person subject to the I.R.C.

*“Commerce. ...Intercourse by way of trade and traffic between different peoples or states and the citizens or inhabitants thereof, including not only the purchase, sale, and exchange of commodities, but also the instrumentalities [governments] and agencies by which it is promoted and the means and appliances by which it is carried on...”*  
[Black’s Law Dictionary, Sixth Edition, p. 269]

The specific “commerce” and fornication which causes the surrender of sovereign immunity to “the beast” is the “trade or business” franchise, which we also call the “socialism franchise”.

## 16.5 Illegally and FRAUDULENTLY Filing the WRONG return, the IRS 1040

Only persons with a domicile in the statutory “United States\*\*”, which is defined in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and 4 U.S.C. §110(d) as federal territory not within any constitutional State of the Union, may lawfully file IRS Form 1040. This is confirmed by IRS Document 7130, the IRS Published Products Catalog, which says the following:

1040A 11327A Each  
U.S. Individual Income Tax Return

Annual income tax return **filed by citizens and residents of the United States**. There are separate instructions available for this item. The catalog number for the instructions is 12088U.

W:CAR:MP:FP:F:I Tax Form or Instructions  
[IRS Published Products Catalog, Year 2003, p. F-15]

The above is also confirmed by the IRS 1040 Instruction Booklet itself, which says at the top of the page describing the filing requirement the following:

*Filing Requirements*

*These rules apply to all U.S. citizens, regardless of where they live, and resident aliens.*

[IRS 1040 Instruction Booklet, Year 2001, p. 15;  
SOURCE: <http://famguardian.org/TaxFreedom/Forms/IncomeTaxRtn/Federal/IRSForm1040Instr.pdf>]

What the above deceptive publication very conveniently and deliberately doesn’t tell you are the following very important facts:

1. The “U.S. citizen” they are referring to above is a statutory “U.S. citizen” defined in 8 U.S.C. §1401.
2. You cannot be either a statutory “U.S. citizen” or a “resident” (alien) unless you have a domicile on federal territory within the “United States”, which is defined in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d) as the District of Columbia and territories and possessions of the United States and nowhere “expressly extended” to include any other place.
3. Persons born within and domiciled within states of the Union do not have a domicile in the “United States” and therefore cannot lawfully be statutory “U.S. citizens” or “residents” (aliens), but rather are non-citizen nationals and nonresident aliens. If they claim to be a “U.S. citizen” on a federal form, they are committing a crime in violation of 18 U.S.C. §911.
4. The only way that the place where you physically live is irrelevant as mentioned above is under Federal Rule of Civil Procedure 17, which says that if you are acting in a representative capacity as a “public officer” within the federal



corporation called the "United States", the laws of the place of incorporation of the corporation apply, regardless of where you physically are. THE OFFICE has a domicile in the District of Columbia and while you fill it, your effective domicile is also there, regardless of where you live. ONLY in this condition is the place you live irrelevant. It is furthermore a criminal violation of 18 U.S.C. §912 for a private person not lawfully elected into public office consistent with federal law to serve in a public office or "pretend" to be a public officer engaged in the "trade or business" franchise.

The group of persons that includes statutory "U.S. citizens" and "residents" (aliens) who collectively are the only ones who can lawfully file IRS Form 1040 above are called "U.S. persons", and they are defined in [26 U.S.C. §7701\(a\)\(30\)](#). A nonresident alien is NOT a "U.S. person" and may NOT lawfully elect to be treated as one if he is NOT married to one. The only authority for making an election as a nonresident alien to be treated as a "resident alien" is if he is married to one and wants to file jointly pursuant to [26 U.S.C. §6013\(g\)](#) and (h) and [26 U.S.C. §7701\(b\)\(4\)\(B\)](#). This option is discussed in the next section.

People born with and/or domiciled within states of the Union are nonresident aliens, and most of them are ILLEGALLY filing IRS Form 1040 and thereby:

1. Making an ILLEGAL election to be treated as "resident aliens" when no statute authorizes it.
2. Impersonating a "U.S. citizen" in criminal violation of 18 U.S.C. §911.
3. Impersonating an officer or employee of the federal government in criminal violation of 18 U.S.C. §912.
4. Needlessly subjecting themselves to the jurisdiction of federal district courts that would otherwise be "foreign" in relation to them if they had properly described their status as nonresident aliens.

The above is a HUGE mistake on their part and a FRAUD on the IRS' part. The IRS looks the other way and permits this, because this is how they ILLEGALLY manufacture nearly all of the "taxpayers" who they illegally terrorize, uhhh, I mean "service". Any refunds paid out to nonresident aliens who filed IRS Form 1040 and who have not made a lawful election as a person married to a "U.S. person" are unauthorized and unlawful, and would be cognizable under the following I.R.C. provisions:

1. [26 U.S.C. §7405](#): Action for recovery of erroneous refunds.
2. [26 U.S.C. §7206](#): Fraud and false statements
3. [26 U.S.C. §7207](#): Fraudulent returns, statements, or other documents.

Those who would argue otherwise are asked to produce the statute AND implementing regulation specifically authorizing nonresident aliens who are NOT married to "U.S. persons" to make an election to be treated as "resident aliens". It doesn't exist!

## **16.6 Making a lawful election on a government form to become a "resident"**

The government has a vested interest to maximize the number of "taxpayers". Their authority to impose an income tax has as a prerequisite a "domicile" within the "United States", which is defined in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and 4 U.S.C. §110(d) to include only federal territory not within any Constitutional state of the Union and is not expanded elsewhere under Internal Revenue Code, Subtitle A to include states of the Union:

*"Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes. Since the Fourteenth Amendment makes one a citizen of the state wherein he resides, the fact of residence creates universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter obviously includes a duty to pay taxes, and their nature and measure is largely a political matter. Of course, the situs of property may tax it regardless of the citizenship, domicile, or residence of the owner, the most obvious illustration being a tax on realty laid by the state in which the realty is located."*  
[Miller Brothers Co. v. Maryland, [347 U.S. 340](#) (1954)]

If you would like to learn more about the relationship of domicile to income taxation, please read the following free article:

[Why Domicile and Becoming a "Taxpayer" Require Your Consent](http://sedm.org/Forms/FormIndex.htm), Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

As we pointed out in section 1, people born in and domiciled within states of the Union are “nationals” or “state nationals” and not statutory “U.S. citizens”. They are “Citizens” under the Fourteenth Amendment but NOT statutory “citizens of the United States” under [8 U.S.C. §1401](#). We also showed in section 4 that the only real “taxpayers” on an IRS Form 1040 are “aliens” of one kind or another. IRS Document 7130, in fact, says that the only people who can use IRS Form 1040 are “citizens and residents of the United States”, both of whom have in common a domicile within the statutory “United States”, meaning federal territory. Collectively, “citizens and residents of the United States” having a domicile on federal territory within the statutory “United States” are called “U.S. persons” and are defined in [26 U.S.C. §7701\(a\)\(30\)](#). Therefore, the government has a vested interest in making “nonresident aliens” in states of the Union into “resident aliens”. They do this primarily by encouraging nonresident aliens to volunteer to engage in privileged, excise taxable activities. Under subtitle A of the Internal Revenue Code, the only such taxable activity is a “trade or business” or a public office.

In order to learn how the federal government manufactures “taxpayers” out of “nontaxpayers”, we therefore should be looking for ways in which “nonresident aliens” as defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#) and domiciled in the states of the Union are turned into “resident aliens” as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#). From a high level view, it would appear simple, because the only way nonresident alien can become a resident is by changing his domicile and declaring that change on government forms. As our research reveals, this process is a lot more devious and indirect than that. It is so subtle that most people miss it. Once we found out how it was accomplished and identified it in our publications, they immediately hid the evidence!

This ingenious process our corrupted politicians invented to manufacture more “taxpayers” out of people in the states of the Union who started out as nonresident alien “nontaxpayers” is essentially the mechanism by which our public dis-servants destroy the separation of powers that is at the heart of the United States Constitution and thereby assault and destroy our rights and liberties. That separation of powers is insightfully described in the article below:

<http://famguardian.org/Subjects/LawAndGovt/Articles/SeparationOfPowersDoctrine.htm>

A breakdown of the separation of taxing authority can only occur by the voluntary consent of the people themselves. The states cannot facilitate that breakdown of the separation of powers:

*“State officials thus cannot consent to the enlargement of the powers of Congress beyond those enumerated in the Constitution.”*  
[*New York v. United States*, [505 U.S. 142](#); 112 S.Ct. 2408; 120 L.Ed.2d 120 (1992)]

That consent to allow federal income taxation within states of the Union requires a voluntary personal exercise of our private right to contract. Our right to contract is the most dangerous right we have, because the exercise of that right can destroy ALL of our other rights, folks! The most dangerous thing about this right is that if we use it unwisely, the government cannot come to our aid. The purpose of the United States Constitution, in fact, is to protect its exercise and it forbids any state, in Article 1, Section 10, to pass any law that would impair the obligation of any contract we sign. The abuse of your right to contract is as dangerous as the abuse of your pecker can be to your marriage, your family, and the lives of generations of people yet unborn!

A person domiciled in a state of the Union, who starts out as a “nonresident alien”, can become a “resident”, a “taxpayer”, and an “individual” under the Internal Revenue Code by making the necessary “elections” in order to be treated as a “resident” engaged in a “trade or business” instead of a “nonresident alien” not engaged in a “trade or business”. That election is made as follows:

1. If the “nonresident alien” voluntarily signs and submits Social Security Form SS-5, he becomes a “resident alien”. 20 CFR §422.104 says that only “citizens and permanent residents” are eligible to join the program. “nonresident aliens are NOT eligible, so they must voluntarily consent or “elect” to become a “resident” by private law/agreement in order to join.

*Title 20: Employees' Benefits*  
[PART 422—ORGANIZATION AND PROCEDURES](#)  
[Subpart B—General Procedures](#)  
§422.104 Who can be assigned a social security number.

*(a) Persons eligible for SSN assignment. We can assign you a social security number if you meet the evidence requirements in §422.107 and you are:*

(1) A United States citizen; or

(2) An alien lawfully admitted to the United States for permanent residence or under other authority of law permitting you to work in the United States (§422.105 describes how we determine if a nonimmigrant alien is permitted to work in the United States); or

[<http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&rgn=div8&view=text&node=20:2.0.1.1.12.2.469.3&idno=20>]

Note also that the “nonresident alien” must ALSO become a federal “employee” or “public officer” in order to join, because the above regulation appears in Title 20, which is entitled “Employee benefits”. Congress cannot legislate for private employees, but only its own “public employees” or “public officers”, and those officers must be engaged in a taxable “trade or business” in order to pay for the employment privileges that they are availing themselves of:

*“The power to “legislate generally upon” life, liberty, and property, as opposed to the “power to provide modes of redress” against offensive state action, was “repugnant” to the Constitution. Id., at 15. See also United States v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106 U.S. 629, 639 (1883); James v. Bowman, 190 U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964); United States v. Guest, 383 U.S. 745 (1966), their treatment of Congress’ §5 power as corrective or preventive, not definitional, has not been questioned.”*  
[*City of Boerne v. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997)*]

By becoming a “public officer”, you agree to act as a trustee and officer of the “U.S. Inc.” corporation defined in [28 U.S.C. §3002\(15\)\(A\)](#), which has a domicile in the District of Columbia. Therefore, your domicile assumes that of the corporation you represent pursuant to [Federal Rule of Civil Procedure 17\(b\)](#). The exact mechanisms for how the Social Security System transforms a “nonresident alien” into a “resident alien federal employee” are described in detail in the following informative pamphlet:

[Resignation of Compelled Social Security Trustee, Form #06.002](#)  
<http://sedm.org/Forms/FormIndex.htm>

2. Pursuant to 26 CFR §31.3401(a)-3(a), a “nonresident alien” may submit an IRS Form W-4 to his private employer and thereby elect to call his earnings “wages”, which makes him “effectively connected with a trade or business”. This means, according to [26 U.S.C. §7701\(a\)\(26\)](#) that he is engaged in a “public office”.

[26 CFR §31.3401\(a\)-3 Amounts deemed wages under voluntary withholding agreements](#)

(a) In general.

**Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p). References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3.**

Once you begin earning “wages”, your compensation is documented and reported on a W-2 pursuant to [26 U.S.C. §6041](#), which says that only “trade or business” earnings can be reported on a W-2. This means, according to [26 U.S.C. §7701\(a\)\(26\)](#) that the worker is engaged in a “public office”. 4 U.S.C. §72 says that all public offices exist ONLY in the District of Columbia, and therefore, you consented to be treated as a “resident” of the District of Columbia for the purposes of the income tax, because you are representing a federal corporation in the District of Columbia as a “public officer” and your effective domicile is the domicile of the corporation pursuant to Federal Rule of Civil Procedure 17(b):

[TITLE 4 > CHAPTER 3 > § 72](#)  
[§ 72. Public offices; at seat of Government](#)

*All offices attached to the seat of government shall be exercised in the District of Columbia, and not elsewhere, except as otherwise expressly provided by law.*

3. Pursuant to [26 U.S.C. §7701\(b\)\(4\)](#) and [26 U.S.C. §6013\(g\)](#), he can decide to file an IRS Form 1040, and thereby become a “resident alien”. IRS Document 7130 identifies the IRS Form 1040 as being only suitable for use by “citizens and residents of the United States”. The “individual” in the title “U.S. Individual Income Tax Return” means a “resident alien” in that scenario. This is explained in the following sources:



3.1. Great IRS Hoax, Form #11.302, Section 5.5.3: You're Not a U.S. citizen if you file a 1040 form, You're an alien  
3.2. Great IRS Hoax, Form #11.302, Section 5.5.4 entitled: "You're not the U.S. citizen mentioned at the top of the  
1040 form if you are a U.S. citizen domiciled in the federal United States"

4. After making the above elections, if the IRS then writes us some friendly "dear taxpayer" letters, and we respond and don't deny that we are "taxpayers" or provide exculpatory proof that we are not, then we are admitting that:

4.1. We are subject to the IRC.

4.2. We are "taxpayers".

The bottom line is that if you act like a duck and quack like one, then the IRS is going to think you are one! That deception usually occurs because we deceived the government about our true status by either filling out the wrong form, or filing the right form out incorrectly and in a way that does not represent our true status. This is covered in our article below:

"Taxpayer" v. "Nontaxpayer": Which one are You?

<http://famguardian1.org/Subjects/Taxes/Articles/TaxpayerVNontaxpayer.htm>

Through the elections made by the nonresident alien above, it contractually agreed to become a representative of a legal fiction that is a "resident" or "resident alien" or "permanent resident", all of which are equivalent and are defined in 26 U.S.C. §7701(b)(1)(A). A "resident" is within the legislative jurisdiction of the of "United States". A "domicile" or "residence" is what puts them within the legislative jurisdiction of the "United States". The "nonresident alien" therefore became a "resident alien" not because they have a physical presence there, but because the SS-5 federal employment contract they signed made them into "representatives" and "public officers" for the federal corporation called the "United States". Pursuant to Federal Rule of Civil Procedure 17(b), their effective domicile or residence is that of the federal corporation they represent, which is the "United States", as indicated in 28 U.S.C. §3002(15)(A). That corporation, like all corporations, is a "citizen" of the place of its incorporation, which in this case is the District of Columbia:

*"A corporation is a citizen, resident, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only."*

*[19 Corpus Juris Secundum, Corporations, §886]*

The above mechanisms for DESTROYING the sovereignty of We The People and breaking down the separation of Powers between the state and federal governments are consistent with the Foreign Sovereign Immunities Act, 28 U.S.C. §1602 to 1611. 28 U.S.C. §1605(a)(2) says that a foreign sovereign, such as a "nonresident alien", surrenders their sovereign immunity by conducting "commerce" within the legislative jurisdiction of the "United States". A nonresident alien who has accomplished one or more of the above steps meets the criteria for the surrender of sovereign immunity because:

1. He is conducting "commerce" within the legislative jurisdiction of the United States pursuant to 28 U.S.C. §1605(a)(2) as a public officer or a representative of a Social Security Trust that is a "public officer".

TITLE 28 > PART IV > CHAPTER 97 > § 1605

§ 1605. General exceptions to the jurisdictional immunity of a foreign state

(a) A foreign state shall not be immune from the jurisdiction of courts of the United States or of the States in any case—

(2) in which the action is based upon a commercial activity carried on in the United States by the foreign state; or upon an act performed in the United States in connection with a commercial activity of the foreign state elsewhere; or upon an act outside the territory of the United States in connection with a commercial activity of the foreign state elsewhere and that act causes a direct effect in the United States;

Through the SS-5 federal job or contract application, the nonresident alien contractually agreed to become a federal "employee" or "public officer" engaged in a "trade or business" who is conducting "commerce" with the government. The Social Security Act and the Internal Revenue Code, Subtitle A are the "employment contract" or "franchise agreement" that they must observe while acting in a representative capacity as a "public officer". That "franchise agreement" governs choice of law should any of the terms of the contract need to be litigated. 26 U.S.C. §7701(a)(39) and 26 U.S.C. §7408(d) say that all litigation over the terms of the contract must occur in a federal court under the laws of the District of Columbia.

TITLE 26 > Subtitle F > CHAPTER 79 > § 7701

§ 7701. Definitions

(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent

thereof—

(39) Persons residing outside United States

**If any citizen or resident of the United States does not reside in (and is not found in) any United States judicial district, such citizen or resident shall be treated as residing in the District of Columbia for purposes of any provision of this title relating to—**

(A) jurisdiction of courts, or  
(B) enforcement of summons.

Another way of saying this is that you can't become a federal "employee" or contractor unless you agree to obey what your new boss tells you to do, and the only way that boss, the government, can direct your activities is through "law". This is what we call a "roach trap statute", which is a statute whose benefits entice you into a trap that causes you to acquire the equivalent of a new land-lord. Since kidnapping and identity theft are illegal, then they need your consent or permission to kidnap your legal identity or "res" and move it to the District of Columbia so that it can be "identified" there. See [18 U.S.C. §1201](#). This is how you became a "res"+"ident", or a "resident" of the District of Columbia. Therefore, you must also agree to be subject to federal law as a "resident" *before* you can become a "public officer", federal benefit recipient, or contractor. Once you become any one of these three types of entities, [44 U.S.C. §1505\(a\)](#) and [5 U.S.C. §553\(a\)](#) say that you also agreed to obey all commands of your new boss, which is Congress, *without* the need for implementing regulations published in the federal register. The Legislative Branch is the boss, and the Executive Branch works for the Legislative Branch to implement and enforce the will of the sovereign people. In the process of becoming a federal "employee" or "public officer", you also implicitly surrendered ALL of your constitutional rights in the context of your official duties:

"The restrictions that the Constitution places upon the government in its capacity as lawmaker, i.e., as the regulator of private conduct, are not the same as the restrictions that it places upon the government in its capacity as employer. We have recognized this in many contexts, with respect to many different constitutional guarantees. Private citizens perhaps cannot be prevented from wearing long hair, but policemen can. *Kelley v. Johnson*, [425 U.S. 238, 247](#) (1976). Private citizens cannot have their property searched without probable cause, but in many circumstances government employees can. *O'Connor v. Ortega*, [480 U.S. 709, 723](#) (1987) (plurality opinion); *id.*, at 732 (SCALIA, J., concurring in judgment). Private citizens cannot be punished for refusing to provide the government information that may incriminate them, but government employees can be dismissed when the incriminating information that they refuse to provide relates to the performance of their job. *Gardner v. Broderick*, [392 U.S. 273, 277-278](#) (1968). With regard to freedom of speech in particular: Private citizens cannot be punished for speech of merely private concern, but government employees can be fired for that reason. *Connick v. Myers*, [461 U.S. 138, 147](#) (1983). Private citizens cannot be punished for partisan political activity, but federal and state employees can be dismissed and otherwise punished for that reason. *Public Workers v. Mitchell*, [330 U.S. 75, 101](#) (1947); *Civil Service Comm'n v. Letter Carriers*, [413 U.S. 548, 556](#) (1973); *Broadrick v. Oklahoma*, [413 U.S. 601, 616-617](#) (1973)." [Rutan v. Republican Party of Illinois, [497 U.S. 62](#) (1990)]

2. Pursuant to 28 U.S.C. §1332(c ) and (d), the nonresident alien, by making the necessary elections, has lost his sovereign immunity as a "foreign sovereign" because he became a "resident" or "citizen" of that foreign state for the purposes of federal law. This is what [28 U.S.C. §1603\(b\)\(3\)](#) below says:

[TITLE 28 > PART IV > CHAPTER 97 > § 1603](#)  
[§ 1603. Definitions](#)

For purposes of this chapter—

(a) A "foreign state", except as used in section [1608](#) of this title, includes a political subdivision of a foreign state or an agency or instrumentality of a foreign state as defined in subsection (b).

(b) An "agency or instrumentality of a foreign state" means any entity—

(1) which is a separate legal person, corporate or otherwise, and

(2) which is an organ of a foreign state or political subdivision thereof, or a majority of whose shares or other ownership interest is owned by a foreign state or political subdivision thereof, and

**(3) which is neither a citizen of a State of the United States as defined in section [1332 \(c\)](#) and (d) of this title, nor created under the laws of any third country.**

Only AFTER the above "elections" or consent have been *voluntarily* procured completely absent any duress can the party become the object of involuntary IRS enforcement, and NOT before.

"Waivers of constitutional rights not only must be voluntary but must be knowing, intelligent acts done with

sufficient awareness of the relevant circumstances and likely consequences."  
[Brady v. U.S., 397 U.S. at 749, 90 S.Ct. 1463 at 11469 (1970)]

"The question of a waiver of a federally guaranteed constitutional right is, of course, a federal question controlled by federal law. There is a presumption against the waiver of constitutional rights, see, e.g. Glasser v. United States, 315 U.S. 60, 70-71, 86 L.Ed. 680, 699, 62 S.Ct. 457, and for a waiver to be effective it must be clearly established that there was "an intentional relinquishment or abandonment of a known right or privilege." Johnson v. Zerbst, 304 U.S. 458, 464, 82 L.Ed. 1461, 1466; 58 S.Ct. 1019, 146 A.L.R. 357."  
[Brookhart v. Janis, 384 U.S. 1; 86 S.Ct. 1245; 16 L.Ed.2d 314 (1966)]

If no consent was ever explicitly (in writing) or implicitly (by conduct) given or if consent was procured through deceit, fraud, or duress, or was procured without full disclosure and "reasonable notice" ON THE AGREEMENT ITSELF of all rights being surrendered, the contract is voidable at the option of the person subject to the duress but not automatically void:

"An agreement [consent] obtained by duress, coercion, or intimidation is invalid, since the party coerced is not exercising his free will, and the test is not so much the means by which the party is compelled to execute the agreement as the state of mind induced.<sup>8</sup> Duress, like fraud, rarely becomes material, except where a contract or conveyance has been made which the maker wishes to avoid. As a general rule, duress renders the contract or conveyance voidable, not void, at the option of the person coerced,<sup>9</sup> and it is susceptible of ratification. Like other voidable contracts, it is valid until it is avoided by the person entitled to avoid it.<sup>10</sup> However, duress in the form of physical compulsion, in which a party is caused to appear to assent when he has no intention of doing so, is generally deemed to render the resulting purported contract void.<sup>11</sup> Id."  
[American Jurisprudence 2d, Duress, Section 21]

AFTER a nonresident alien domiciled in a state of the Union has made the elections necessary to be treated as though he is "effectively connected with a trade or business" by voluntarily signing and submitting an IRS Form W-4, the code says he becomes a "resident alien". In fact, we allege that the term "effectively connected" is a code word for "contracted" or "consented" to procure "social insurance" as a federal "employee". The act of engaging in a "trade or business" makes nonresident aliens subject to the code, and under 26 U.S.C. §7701(a)(39) and 26 U.S.C. §7408(d ), their "effective domicile" shifts to the District of Columbia. Beyond that point, they become parties to federal law and whenever they walk into a federal district court, the courts are obligated to treat them as though they effectively reside in the District of Columbia. The older versions of the Treasury Regulations demonstrate EXACTLY how this election process works to transform "nonresident aliens" into "residents" who are then "taxpayers":

26 CFR §301.7701-5 Domestic, foreign, resident, and nonresident persons.

A domestic corporation is one organized or created in the United States, including only the States (and during the periods when not States, the Territories of Alaska and Hawaii), and the District of Columbia, or under the law of the United States or of any State or Territory. A foreign corporation is one which is not domestic. A domestic corporation is a resident corporation even though it does no business and owns no property in the United States. A foreign corporation engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident foreign corporation, and a foreign corporation not engaged in trade or business within the United States, as a nonresident foreign corporation. A partnership engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident partnership, and a partnership not engaged in trade or business within the United States, as a nonresident partnership. Whether a partnership is to be regarded as resident or nonresident is not determined by the nationality or residence of its members or by the place in which it was created or organized.  
[Amended by T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), Page 4967-4975]

Shortly after we posted the information contained in this article on our website, the Treasury deleted the above regulation and replaced it on the Government Printing Office website with a temporary regulation that doesn't tell the truth quite so plainly. They don't want you to know how they made you into a "resident". This is their secret weapon, folks. If you want

<sup>8</sup> Brown v. Pierce, 74 U.S. 205, 7 Wall 205, 19 L Ed 134

<sup>9</sup> Barnette v. Wells Fargo Nevada Nat'l Bank, 270 U.S. 438, 70 L Ed 669, 46 S Ct 326 (holding that acts induced by duress which operate solely on the mind, and fall short of actual physical compulsion, are not void at law, but are voidable only, at the election of him whose acts were induced by it); Fiske v. Gershman, 30 Misc 2d 442, 215 NYS2d 144; Glenney v. Crane (Tex Civ App Houston (1st Dist)) 352 SW2d 773, writ ref n r e (May 16, 1962); Carroll v. Fetty, 121 W Va 215, 2 SE2d 521, cert den 308 U.S. 571, 84 L Ed 479, 60 S Ct 85.

<sup>10</sup> Fiske v. Gershman, 30 Misc 2d 442, 215 NYS2d 144; Heider v. Unicume, 142 Or 416, 20 P2d 384; Glenney v. Crane (Tex Civ App Houston (1st Dist)) 352 SW2d 773, writ ref n r e (May 16, 1962)

<sup>11</sup> Restatement 2d, Contracts § 174, stating that if conduct that appears to be a manifestation of assent by a party who does not intend to engage in that conduct is physically compelled by duress, the conduct is not effective as a manifestation of assent.



to know how to undo the effects of this secret weapon, please read Section 17.6 later, entitled “How to Correct Government Records to Reflect your True Status as a Nonresident Alien”.

The trouble and inherent corruption associated with this deceitful manufacturing process is that:

1. The government won’t admit on its website or its publications or its phone support that your voluntary consent is necessary as a nonresident alien nontaxpayer in order to become a resident alien taxpayer.
2. The IRS publications don’t contain either legal definitions that would help you understand the full extent of your tax obligation and they won’t talk with you about the law on the phone, because then you would instantly realize that they have no authority.
3. The courts refuse to hold the IRS responsible for telling the truth. See:

Federal Courts and IRS’ own IRM Say IRS is NOT RESPONSIBLE for Its Actions or It’s Words or For Following It’s Own Written Procedures

<http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>

4. The IRS won’t tell you how to “unvolunteer” or how your consent was procured, because they want everyone to be indentured government slaves in violation of the Thirteenth Amendment.
5. The IRS deceives you on their website by omitting key truths contained in this pamphlet from their website and by refusing to address completely in their propaganda literature, such as the following:

*Rebutted Version of the IRS “The Truth About Frivolous Tax Arguments”, Form #08.005*

<http://sedm.org/Forms/FormIndex.htm>

6. If you confront them with the truth, they are silent and won’t respond, because if they did, their Ponzi scheme would cave in and people would leave the system in droves.
7. Those who expose these truths are often persecuted by the IRS for reminding people that you can unvolunteer using the techniques described in section 17.6 later.
8. Private companies and financial institutions who file false information returns (e.g. W-2, 1099) that connect you to a “trade or business” (pursuant to [26 U.S.C. §6041](#)) or who compel you to sign or submit either an SS-5 to get an identifying number or W-4 to procure a job and who threaten to either not hire you or fire you if they don’t are engaged in extortion, money laundering, and racketeering for which the government should be prosecuting them. However, the Dept. of Justice looks the other way because they want the plunder to continue flowing into their checking account.

The sin and corruption that keeps our tax system going is therefore mainly a sin of “omission”, rather than “commission”. Silence by the IRS and failure to act properly or in the best interests of all Americans, in fulfillment of the fiduciary duty that public servants have, by informing Americans of exactly what the law says and requires is what allows the fraud to continue.

Lastly, THE MOST IMPORTANT thing you can have in your administrative record with the government is evidence of duress being instituted against you as described above. An affidavit of duress should be maintained at all times documenting the unlawful and coerced nature of all information returns filed against you, all W-4’s, SS-5 forms, etc. that were instituted against you, so that you have legal recourse to recover taxes or penalties unlawfully or illegally collected against you. Treasury Decision 3445 says that if you pay a tax or have it levied or deducted from your pay, the MOST important thing you can do is establish proof on the record of the company that did it of duress and that it is being collected “under protest”, or else you forfeit your right to recover it in court:

**The principle that taxes voluntarily paid can not be recovered back is thoroughly established.** It has been so declared in the following cases in the Supreme Court: *United States v. New York & Cuba Mail Steamship Co.* (200 U. S. 488, 493, 494); *Chesebrough v. United States* (192 U. S. 253); *Little v. Bowers* (134 U. S. 547, 554); *Wright v. Blakeslee* (101 U. S. 174, 178); *Railroad Co. v. Commissioner* (98 U. S. 541, 543); *Lamborn v. County Commissioners* (97 U. S. 181); *Elliott v. Swartwout* (10 Pet. 137). And there are numerous like cases in other Federal corn: *Procter & Gamble Co. v. United States* (281 Fed. 1014); *Vaughan v. Riordan* (280 Fed. 742, 745); *Beer v. Moffatt* (192 Fed. 984, affirmed 209 Fed. 779); *Newhall v. Jordan* (160 Fed. 661); *Christie Street Commission Co. v. United States* (126 Fed. 991); *Kentucky Bank v. Stone* (88 Fed. 383); *Corkie v. Maxwell* (7 Fed. Cas. 3231).

**And the rule of the Federal courts is not at all peculiar to them. It is the settled general rule of the State courts as well that no matter what may be the ground of the objection to the tax or assessment if it has been paid voluntarily and without compulsion it can not be recovered back in an action at law, unless there is some constitutional or statutory provision which gives to one so paying such a right notwithstanding the payment was made without compulsion.**--*Adams v. New Bedford* (155 Mass. 317); *McCue v. Monroe County* (162 N.Y. 235); *Taylor v. Philadelphia Board of Health* (31 P. St. 73); *Williams v. Merritt* (152 Mich. 621); *Gould v. Hennepin County* (76 Minn. 379); *Martin v. Kearney County* (62 Minn. 538); *Gar v. Hurd* (92 Ills.

315); *Slimmer v. Chickasaw County* (140 Iowa, 448); *Warren v. San Francisco* (150 Calif. 167); *State v. Chicago & C. R. Co.* (165 No. 597).

And it has been many times held, in the absence of a statute on the subject, that mere payment under protest does not save a payment from being voluntary, in the sense which forbids a recovery back of the tax paid, if it was not made under any duress, compulsion, or threats, or under the pressure of process immediately available for the forcible collection of the tax.--*Dexter v. Boston* (176 Mass. 247); *Flower v. Lance* (59 N.Y. 603); *Williams v. Merritt* (152 Mich. 621); *Oakland Cemetery Association v. Ramsey County* (98 Minn. 404); *Robins v. Latham* (134 No. 466); *Whitbeck v. Minch* (48 Ohio St. 210); *Peebles v. Pittsburgh* (101 Pa. St. 304); *Montgomery v. Cowlitz County* (14 Wash. 230); *Cincinnati & C. R. Co. v. Hamilton County* (120 Tenn. 1).

The principle that a tax or an assessment voluntarily paid can not be recovered back is an ancient one in the common law and is of general application. See *Cooley on Taxation* (vol. 2, 3d ed. p. 1495). That eminent authority also points out that every man is supposed to know the law, and if he voluntarily makes a payment which the law would not compel him to make he can not afterwards assign his ignorance of the law as a reason why the State should furnish him with legal remedies to recover it back. And he adds:  
[Treasury Decision 3445, <http://famguardian.org/TaxFreedom/CitesByTopic/Voluntary-TD3445.pdf>]

## 16.7 Jurat/Perjury statement on IRS Forms

Signing a perjury statement not only constitutes the taking of an oath, but also constitutes the conveying of consent to be held accountable for the accuracy and truthfulness of what appears on the form. It therefore constitutes an act of contracting that conveys consent and rights to the government to hold you accountable for the accuracy of what is on the form. Governments are created to protect your right to contract and the Constitution forbids them from interfering with or impairing the exercise of that inalienable right. Governments are created to ensure that every occasion you give consent or contract is not coerced.

"Independent of these views, there are many considerations which lead to the conclusion that the power to impair contracts, by direct action to that end, does not exist with the general [federal] government. In the first place, one of the objects of the Constitution, expressed in its preamble, was the establishment of justice, and what that meant in its relations to contracts is not left, as was justly said by the late Chief Justice, in *Hepburn v. Griswold*, to inference or conjecture. As he observes, at the time the Constitution was undergoing discussion in the convention, the Congress of the Confederation was engaged in framing the ordinance for the government of the Northwestern Territory, in which certain articles of compact were established between the people of the original States and the people of the Territory, for the purpose, as expressed in the instrument, of extending the fundamental principles of civil and religious liberty, upon which the States, their laws and constitutions, were erected. By that ordinance it was declared, that, in the just preservation of rights and property, 'no law ought ever to be made, or have force in the said Territory, that shall, in any manner, interfere with or affect private contracts or engagements bona fide and without fraud previously formed.' The same provision, adds the Chief Justice, found more condensed expression in the prohibition upon the States [in Article 1, Section 10 of the Constitution] against impairing the obligation of contracts, which has ever been recognized as an efficient safeguard against injustice; and though the prohibition is not applied in terms to the government of the United States, he expressed the opinion, speaking for himself and the majority of the court at the time, that it was clear 'that those who framed and those who adopted the Constitution intended that the spirit of this prohibition should pervade the entire body of legislation, and that the justice which the Constitution was ordained to establish was not thought by them to be compatible with legislation [for judicial precedent] of an opposite tendency.' 8 Wall. 623. [99 U.S. 700, 765] Similar views are found expressed in the opinions of other judges of this court."  
[*Sinking Fund Cases*, 99 U.S. 700 (1878)]

The presence of coercion, penalties, or duress of any kind in the process of giving consent renders the contract unenforceable and void.

"An agreement [consensual contract] obtained by duress, coercion, or intimidation is invalid, since the party coerced is not exercising his free will, and the test is not so much the means by which the party is compelled to execute the agreement as the state of mind induced.<sup>12</sup> Duress, like fraud, rarely becomes material, except where a contract or conveyance has been made which the maker wishes to avoid. As a general rule, duress renders the contract or conveyance voidable, not void, at the option of the person coerced,<sup>13</sup> and it is susceptible of ratification. Like other voidable contracts, it is valid until it is avoided by the person entitled to

<sup>12</sup> *Brown v. Pierce*, 74 U.S. 205, 7 Wall 205, 19 L.Ed 134

<sup>13</sup> *Barnette v. Wells Fargo Nevada Nat'l Bank*, 270 U.S. 438, 70 L.Ed 669, 46 S Ct 326 (holding that acts induced by duress which operate solely on the mind, and fall short of actual physical compulsion, are not void at law, but are voidable only, at the election of him whose acts were induced by it); *Faske v. Gershman*, 30 Misc 2d 442, 215 NYS2d 144; *Glenney v. Crane* (Tex Civ App Houston (1st Dist)) 352 SW2d 773, writ ref n r e (May 16, 1962); *Carroll v. Fetty*, 121 W.Va 215, 2 SE.2d 521, cert den 308 U.S. 571, 84 L.Ed 479, 60 S Ct 85.

avoid it.<sup>14</sup> However, duress in the form of physical compulsion, in which a party is caused to appear to assent when he has no intention of doing so, is generally deemed to render the resulting purported contract void.<sup>15</sup>”  
[American Jurisprudence 2d, Duress, Section 21]

Any instance where you are required to give consent cannot be coerced or subject to penalty and must therefore be voluntary. Any penalty or threat of penalty in specifying the terms under which you provide your consent is an interference or impairment with your right to contract. This sort of unlawful interference with your right to contract happens all the time when the IRS illegally penalizes people for specifying the terms under which they consent to be held accountable on a tax form.

The perjury statement found at the end of nearly every IRS Form is based on the content of [28 U.S.C. §1746](#):

[TITLE 28 > PART V > CHAPTER 115 > § 1746](#)  
[§1746. Unsworn declarations under penalty of perjury](#)

Wherever, under any law of the United States or under any rule, regulation, order, or requirement made pursuant to law, any matter is required or permitted to be supported, evidenced, established, or proved by the sworn declaration, verification, certificate, statement, oath, or affidavit, in writing of the person making the same (other than a deposition, or an oath of office, or an oath required to be taken before a specified official other than a notary public), such matter may, with like force and effect, be supported, evidenced, established, or proved by the unsworn declaration, certificate, verification, or statement, in writing of such person which is subscribed by him, as true under penalty of perjury, and dated, in substantially the following form:

**(1) If executed without the United States: “I declare (or certify, verify, or state) under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on (date). (Signature)”.**

**(2) If executed within the United States, its territories, possessions, or commonwealths: “I declare (or certify, verify, or state) under penalty of perjury that the foregoing is true and correct. Executed on (date). (Signature)”.**

The term “United States” as used above means the territories and possessions of the United States and the District of Columbia and excludes states of the Union mentioned in the Constitution. Below is the perjury statement found on the IRS Form 1040 and 1040NR:

**“Under penalties of perjury, I declare** that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, **they are true, correct, and complete.** Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.”  
[IRS Forms 1040 and 1040NR jurat/perjury statement]

Notice, based on the above perjury statement, that:

1. You are a “taxpayer”. Notice it uses the words “(other than taxpayer)”. The implication is that you can’t use any standard IRS Form WITHOUT being a “nontaxpayer”. As a consequence, signing any standard IRS Form makes you a “taxpayer” and a “resident alien”. See:

[Who are “Taxpayers” and Who Needs a “Taxpayer Identification Number”?, Form #05.013](http://sedm.org/Forms/FormIndex.htm)  
<http://sedm.org/Forms/FormIndex.htm>

2. The perjury statement indicated in [28 U.S.C. §1746\(2\)](#) is assumed and established, which means that you are creating a presumption that you maintain a domicile on federal territory.

Those who want to avoid committing perjury under penalty of perjury by correcting the IRS form to reflect the fact that they are not a “taxpayer” and are not within the “United States” face an even bigger hurdle. If they try to modify the perjury statement to conform with [28 U.S.C. §1746\(1\)](#), frequently the IRS or government entity receiving the form will try to penalize them for modifying the form. The penalty is usually \$500 for modifying the jurat. This leaves them with the unpleasant prospect of choosing the lesser of the following two evils:

<sup>14</sup> Faske v. Gershman, 30 Misc 2d 442, 215 NYS2d 144; Heider v. Unicum, 142 Or 416, 20 P2d 384; Glenney v. Crane (Tex Civ App Houston (1st Dist)) 352 SW2d 773, writ ref n r e (May 16, 1962)

<sup>15</sup> Restatement 2d, Contracts § 174, stating that if conduct that appears to be a manifestation of assent by a party who does not intend to engage in that conduct is physically compelled by duress, the conduct is not effective as a manifestation of assent.



1. Committing perjury under penalty of perjury by misrepresenting themselves as a resident of the federal zone and destroying their sovereignty immunity in the process pursuant to [28 U.S.C. §1603\(b\)](#).
2. Changing the jurat statement, being the object of a \$500 penalty, and then risking having them reject the form.

How do we work around the above perjury statement at the end of most IRS Forms in order to avoid either becoming a “resident” of the federal “United States” or a presumed “taxpayer”? Below are a few examples of how to do this:

1. You can write a statement above the signature stating “signature not valid without the attached signed STATEMENT and all enclosures” and then on the attachment, redefine the ENTIRE perjury statement:

*“IRS frequently and illegally penalizes parties not subject to their jurisdiction such as ‘nontaxpayers’ who attempt to physically modify language on their forms. They may only lawfully administer penalties to public officers and not private persons, because the U.S. Supreme Court has held that the ability to regulate private conduct is ‘repugnant to the constitution’. I, as a private person and a ‘nontaxpayer’ not subject to IRS penalties, am forced to create this attachment because I would be committing perjury if I signed the form as it is without making the perjury statement consistent with my circumstances as indicated in 28 U.S.C. §1746. Therefore, regardless of what the perjury statement says on your form, here is what I define the words in your perjury statement paragraph to mean:*

*“Under penalties of perjury from without the ‘United States’ pursuant to 28 U.S.C. §1746(1), I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, **they are true, correct, and complete.** I declare that I am a ‘nontaxpayer’ not subject to the Internal Revenue Code, not domiciled in the ‘United States’, and not participating in a ‘trade or business’ and that it is a Constitutional tort to enforce the I.R.C. against me. I also declare that any attempt to use the content of this form to enforce any provision of the I.R.C. against me shall render everything on this form as religious and political statements and beliefs rather than facts which are not admissible as evidence pursuant to Fed.Rul.Ev. 610.*

*If you attempt to penalize me, you will be penalizing a person for refusing to commit perjury and will become an accessory to a conspiracy to commit perjury.”*

2. You can write a statement above the signature stating “signature not valid without the attached signed STATEMENT and all enclosures” and then attach the following form:

Tax Form Attachment, Form #04.201  
<http://sedm.org/Forms/FormIndex.htm>

3. You can make your own form or tax return and use whatever you want on the form. They can only penalize persons who use THEIR forms. If you make your own form, you can penalize THEM for misusing YOUR forms or the information on those forms. This is the approach taken by the following form. Pay particular attention to section 1 of the form:

Federal Nonresident Nonstatutory Claim for Return of Funds Unlawfully Paid to the Government-Long, Form #15.001  
<http://sedm.org/Forms/FormIndex.htm>

## **16.8 Federal Courts Refusing to recognize sovereignty of litigant**

A nonresident is an entity with no domicile within the venue or forum. This means that they are:

1. Not a “taxpayer” as defined in 26 U.S.C. §7701(a)(14) or 26 U.S.C. §1313.

*“Revenue Laws relate to taxpayers [officers, employees, and elected officials of the Federal Government] and not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the Federal Government]. The latter are without their scope. No procedures are prescribed for non-taxpayers and no attempt is made to annul any of their Rights or Remedies in due course of law. With them[non-taxpayers] Congress does not assume to deal and they are neither of the subject nor of the object of federal revenue laws.” [Economy Plumbing & Heating v. U.S., 470 F2d. 585 (1972)]*

2. Not a “person” or “individual” under the civil law of the forum. See our article on domicile:

Why Domicile and Becoming a “Taxpayer” Require Your Consent, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

3. Protected by the Minimum Contacts Doctrine of the U.S. Supreme Court. See section 17.4 later.
4. Protected by the Foreign Sovereign Immunities Act, 28 U.S.C. Chapter 97. The government as the moving party

- asserting a liability has the burden of showing that you expressly waived sovereign immunity by either:
- 4.1. Mistakenly declaring yourself a “citizen” or “resident” pursuant to 28 U.S.C. §1603(b)(3) who therefore has domicile (nationals) or a residence (aliens) within federal territory.
  - 4.2. Consensually conducting commerce within the legislative jurisdiction of the sovereign pursuant to 28 U.S.C. §1605.
  5. “foreign” and a “foreigner” in relation to the forum.
  6. NOT a “foreign person” because not a “person”.

In order to compel federal courts to recognize all the requirements of the above, we have prepared the following, which you should attach to all your pleadings in federal court:

*Federal Pleading/Motion/Petition Attachment*, Litigation Tool #01.002  
<http://sedm.org/Litigation/LitIndex.htm>

Even after the above is attached and even after sovereign immunity is properly invoked by a “nonresident alien” who is NOT an “individual” or “person”, even then some federal courts will further interfere with the sovereign immunity of people litigating before them by creating a “presumption” that the litigants are domiciliaries of the forum through the following means:

1. Refusing to recognize that:
  - 1.1. You, the litigant are a “nontaxpayer”.
  - 1.2. “Nontaxpayers” even exist. The result is that EVERYONE is “presumed” to be a “taxpayer”, which means they are PRESUMED guilty until proven innocent. This turns the foundation of American Jurisprudence upside down, which is the presumption of innocent until proven guilty.

*“The presumption of innocence, although not articulated in the Constitution, is a basic component of a fair trial under our system of criminal justice. Long ago this Court stated:*

*The principle that there is a presumption of innocence in favor of the accused is the undoubted law, axiomatic and elementary, and its enforcement lies at the foundation of the administration of our criminal law.”*  
*[Coffin v. United States, 156 U.S. 432, 453 (1895).]*

*“In Calder v. Bull, which was here in 1798, **Mr. Justice Chase said, that there were acts which the Federal and State legislatures could not do without exceeding their authority, and among them he mentioned a law which punished a citizen for an innocent act; a law that destroyed or impaired the lawful private [labor] contracts [and labor compensation, e.g. earnings from employment through compelled W-4 withholding] of citizens; a law that made a man judge in his own case; and a law that took the property from A [the worker], and gave it to B [the government or another citizen, such as through social welfare programs]. ‘It is against all reason and justice,’ he added, ‘for a people to intrust a legislature with such powers, and therefore it cannot be presumed that they have done it. They may command what is right and prohibit what is wrong; but they cannot change innocence [a “nontaxpayer”] into guilt [a “taxpayer”, by presumption or otherwise], or punish innocence as a crime, or violate the right of an antecedent lawful private [employment] contract [by compelling W-4 withholding, for instance], or the right of private property. To maintain that a Federal or State legislature possesses such powers [of THEFT!] if they had not been expressly restrained, would, in my opinion, be a political heresy altogether inadmissible in all free republican governments.’ 3 Dall. 388.”***  
*[Sinking Fund Cases, 99 U.S. 700 (1878) ]*

- 1.3. The Anti-Injunction Act, 26 U.S.C. §7421 does not apply to “nontaxpayers”. See section 5.8 of the following for details:

*Flawed Tax Arguments to Avoid*, Form #08.004  
<http://sedm.org/Forms/FormIndex.htm>

- 1.4. That the Declaratory Judgments Act, 28 U.S.C. §2201(a) does not apply to “nontaxpayers”. See section 5.9 of the Flawed Tax Arguments to Avoid document above for details.
2. Refusing to require your government opponent to justify why the Minimum Contacts Doctrine invoked by you is satisfied and why the court therefore has jurisdiction to hear the civil case.
3. Refusing to require your government opponent to justify why the Foreign Sovereign Immunities Act, 28 U.S.C. Chapter 97, invoked by you is satisfied and why the court therefore has jurisdiction to hear the civil case.
4. Citing irrelevant cases litigated by “citizens” or “residents” against you. All such caselaw amounts to little more than political propaganda which is IRRELEVANT to the circumstances of a nonresident, who never consented to be protected by the laws of the forum and who shouldn’t have and hopefully didn’t invoke them in his defense.

5. Calling attempts to identify yourself as other than a “person” or an “individual” to be “frivolous” without explaining why. This tactic is described in section 6.15 of the document below:

*Flawed Tax Arguments to Avoid*, Form #08.004

<http://sedm.org/Forms/FormIndex.htm>

## 16.9 **Compelled Use of Taxpayer Identification Numbers (TINs)**

The use of a Taxpayer Identification Number (TIN) in connection with any financial transaction creates a legal presumption that the party using it is a person with a domicile on federal territory. This is confirmed by 26 CFR §301.6109-1(g)(1)(i), in which “nonresident aliens” are not listed:

[26 CFR §301.6109-1\(g\)](#)

*(g) Special rules for taxpayer identifying numbers issued to foreign persons—*

*(1) General rule—*

*(i) Social security number.*

**A social security number is generally identified in the records and database of the Internal Revenue Service as a number belonging to a U.S. citizen or resident alien individual.** A person may establish a different status for the number by providing proof of foreign status with the Internal Revenue Service under such procedures as the Internal Revenue Service shall prescribe, including the use of a form as the Internal Revenue Service may specify. Upon accepting an individual as a nonresident alien individual, the Internal Revenue Service will assign this status to the individual's social security number.

The only legal requirement to use taxpayer identification numbers is found in the following regulation at 26 CFR §301.6109-1(b)(1):

[26 CFR §301.6109-1\(b\)](#)

*(b) Requirement to furnish one's own number—*

*(1) U.S. persons.*

**Every U.S. person who makes under this title a return, statement, or other document must furnish its own taxpayer identifying number as required by the forms and the accompanying instructions.**

The above regulation only imposes such a requirement upon a “U.S. person”. That “person” is defined in 26 U.S.C. §7701(a)(30) as an entity with a domicile on federal territory. Note that “citizens” and “residents” and federal corporations and all other entities listed below have in common a domicile in the “United States”, which is federal territory:

[TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.](#)  
[Sec. 7701. - Definitions](#)

*(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—*

*(30) [United States](#) person*

*The term “United States person” means -*

*(A) a [corporate] [citizen](#) or [resident](#) [alien] of the [federal] United States,*

*(B) a domestic partnership,*

*(C) a domestic [corporation](#),*

*(D) any estate (other than a foreign estate, within the meaning of paragraph (31)), and*

*(E) any trust if -*

*(i) a court within the United States is able to exercise primary supervision over the administration of the trust, and*

*(ii) one or more United States persons have the authority to control all substantial decisions of the trust.*

If you look on the following:



... the form allows you to fill it out in such a way that you are NOT an “employer” or a “taxpayer”, but if you don’t do so, then the implication is that you are in fact a “U.S. person”.

Both SSNs and TINs are made equivalent by the following authorities: 26 U.S.C. §7701(a)(41), 26 U.S.C. §6109(d), and 26 CFR §301.7701-1. The following statute makes it a crime to compel use of Social Security Numbers, and by implication, Taxpayer Identification Numbers.

TITLE 42 - THE PUBLIC HEALTH AND WELFARE  
CHAPTER 7 - SOCIAL SECURITY  
SUBCHAPTER II - FEDERAL OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS  
Sec. 408. Penalties

(a) In general  
Whoever -...

(8) discloses, uses, or **compels the disclosure of the social security number of any person in violation of the laws of the United States; shall be guilty of a felony and upon conviction thereof shall be fined under title 18 or imprisoned for not more than five years, or both.**

Consequently, the use of a government identifying number is presumed to be voluntary and not compelled, unless you, the person being compelled, state otherwise in correspondence to them and the people you do business with. Therefore, providing such a number in the context of any transaction constitutes consent and a voluntary “election” to be treated as a “U.S. person” and a person with a domicile on federal territory. If you started out as a nonresident alien, that election is authorized by 26 U.S.C. §6013(g) and (h), but ONLY if are an alien and NOT a national or non-citizen national.

Those who start out as “nonresident alien” NONindividuals and who open a financial account at banks as human beings by default:

1. Are required to provide a Social Security Number (SSN) or Taxpayer Identification Number (TIN) when opening the account.
8. Open all such accounts as statutory “U.S. persons” with a domicile on federal territory because they provided a government identifying number.

Banks in implementing the above policies, are acting as agents of the national government in a quasi-governmental capacity and also become the equivalent of federal employment recruiters. 31 CFR §202.2 confirms that all banks who participate in FDIC insurance are agents of the national government. 12 U.S.C. §90 also makes all national banks into agents of the U.S. Government. It would be more advantageous to open an international bank account to avoid this issue. In their capacity as agents of the national government, you can be sure that banks subject to federal regulation are going to want to recruit more “employee” and “public officers” engaged in the “trade or business” franchise.

About IRS Form W-8BEN, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>

Even for those people smart enough to know about the IRS form W-8BEN and how to properly fill it out, most banks opening business accounts even in the case of businesses that are “nonresident alien NONindividuals” refuse to open such accounts without an Employer Identification Number (EIN) as a matter of policy and not law.

1. If you ask them what law authorizes such a policy, typically they:
  - 1.1. Can’t produce the law and are operating on policy rather than law.
  - 1.2. May often say that the USA Patriot Act “requires it”, but this act doesn’t apply outside of federal territory and there is no such provision contained within it anyway. They are lying.
2. If you attempt to offer them forms that correctly describe your status as a “foreigner”, a “nonresident alien NONindividual”, but not a “foreign person” who therefore has no requirement to supply a number, they may just say that their policy is not to accept such forms and to refuse you an account. Therefore, you have to commit perjury to even get an account with them.

3. If they won't accept your forms correctly describing your status and you modify their forms to correctly reflect your status, they may also tell you that they have a policy not to open an account for you and they may even refuse to explain why.

In practical terms then, the law doesn't require businesses who properly identify themselves as "nonresident alien NONindividuals not engaged in a trade or business" to have or use identifying numbers but most are compelled by adhesion contracts of banking monopolies into having one anyway. As a matter of fact, 26 CFR §306.10, Footnote 2, as well as 31 CFR §103.34(a)(3)(x) both expressly exclude "nonresident aliens" who are not engaged in the "trade or business"/"public office" franchise from the requirement to furnish identifying numbers. In that sense, most banks are acting as the equivalent of federal employment recruiters and compelling their customers to commit perjury on their applications by stating indirectly that they are "resident aliens" with a domicile on federal territory who are lawfully engaged in a public office within the U.S. government. This is a huge scam that is the main source of jurisdiction of the IRS over otherwise private companies.

If you would like to learn more about SSNs and TINs, their compelled use, and how to resist such unlawful duress, see the following articles on our website:

1. *Tax Form Attachment*, Form #04.201-attach this to all government tax forms and all bank account applications that ask for government identifying numbers. Indicates duress and fraud in using the number.  
<http://sedm.org/Forms/FormIndex.htm>
2. *Why it is Illegal for Me to Request or Use a "Taxpayer Identification Number"*, Form #04.205-attach this to any form that requires you to provide an identifying number if you are NOT a "U.S. person" domiciled on federal territory  
<http://sedm.org/Forms/FormIndex.htm>
3. *About SSNs and TINs on Government Forms and Correspondence*, Form #05.012  
<http://sedm.org/Forms/FormIndex.htm>
4. *About SSNs and TINs on Government Forms and Correspondence*, Form #07.004  
<http://sedm.org/Forms/FormIndex.htm>

## **17 Advantages of Being a Nonresident Alien**

Being a nonresident alien not engaged in any commercial activity with the government under 26 CFR §1.871-1(b)(1)(i) has distinct advantages over that of being a "U.S. person" under 26 U.S.C. §7701(a)(30). It means that:

1. You are not subject to federal jurisdiction and are "nonresident" with respect to the forum or court.
2. May not be prosecuted for any tax crime. For instance, 26 CFR §1.6012-1 establishes who is liable to "file" a tax return and nonresident aliens are not listed there!
3. May invoke the protection of the Foreign Sovereign Immunities Act, 28 U.S.C. §1602-1611 without being subject to federal jurisdiction.
4. You have the option to pursue cases less than the \$75,000 minimum amount in controversy under 28 U.S.C. §1332(a) if you waive your right to a jury trial.

The following subsections will describe all the nuances of these advantages so that they can be properly invoked to your advantage.

### **17.1 Nonresident aliens not engaged in a "trade or business" are not required to have an SSN or TIN**

Nonresident aliens not engaged in a "trade or business" are not required to have or to provide any kind of federal identifying number on tax forms or to open financial accounts. These persons are defined in 26 CFR §1.871-1(b)(1)(i). The IRS knows this, which is why it positively refuses to provide any IRS Form that allows you to identify yourself as a nonresident alien not engaged in a "trade or business". They obviously don't want to hand the slaves the key to their chains of "privilege" in order to lawfully avoid the federal numbering and taxing requirement. Instead, they exploit the confusion created by the absence of such a field on their forms to create false presumptions that you instead are engaged in a "trade or business", even when you are not, in order to manufacture more "taxpayer" slaves out of innocent "nontaxpayers". For instance, IRS Form W-8BEN does not provide a check box allowing you to designate WHICH of the three types of nonresident aliens that you are as defined in 26 CFR §1.871-1(b). For more details on this SCAM, see the following

1 article:

About IRS Form W-8BEN, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>

2 A “trade or business” is then defined in [26 U.S.C. §7701\(a\)\(26\)](#) as “the functions of a public office”, which means a person  
3 who has contracts or employment with the federal government and is therefore partaking of federal “privileges” and/or  
4 benefits. Americans domiciled in states of the Union are not lawfully allowed to engage in a “trade or business” because 4  
5 U.S.C. §72 says that all “public offices” may only lawfully be exercised in the District of Columbia and not elsewhere. For  
6 more details on this subject, see:

The “Trade or Business” Scam, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

7 The only provision within the I.R.C. or Treasury Regulations that imposes a duty to provide an identifying number on  
8 federal forms relates to “U.S. persons”.

9 [26 CFR § 301.6109-1\(b\)](#)

10 (b) Requirement to furnish one's own number—

11 (1) U.S. persons.

12 Every U.S. person who makes under this title a return, statement, or other document must furnish its own  
13 taxpayer identifying number as required by the forms and the accompanying instructions.

14 Notice the use of the word “its” instead of the word “his or her” in the above regulation. They are talking about a federal  
15 public office or instrumentality, which are creations of Congress. They are not talking about a human being, which is  
16 God’s creation. Congress can only lawfully tax what it creates, and it didn’t create humans. The above regulation also  
17 appears in 26 CFR Part 301, which means that it is published under the authority of 5 U.S.C. §301 instead of 26 U.S.C.  
18 §7805. Therefore, it pertains ONLY to IRS employees and not to the general public. If it pertained to the general public  
19 and to the income tax imposed in I.R.C. Section 1, it would be published under the authority of 26 U.S.C. §7805 and would  
20 appear under Part 1 of 26 CFR.

21 Nonresident aliens are NOT “U.S. persons” but rather “foreign persons”, and therefore they are NOT required to provide  
22 identifying numbers on any tax form. These people, in fact, are protected from the requirement to use Social Security  
23 Numbers by 42 U.S.C. §408(a)(8):

24 TITLE 42 - THE PUBLIC HEALTH AND WELFARE  
25 CHAPTER 7 - SOCIAL SECURITY  
26 SUBCHAPTER II - FEDERAL OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS  
27 [Sec. 408. Penalties](#)

28 (a) In general  
29 **Whoever -...**

30 (8) discloses, uses, or compels the disclosure of the social security number of any person in violation of the  
31 laws of the United States; shall be guilty of a felony and upon conviction thereof shall be fined under title 18  
32 or imprisoned for not more than five years, or both.

33 “U.S. person”, in turn, is then defined in 26 U.S.C. §7701(a)(30) as follows.

34 [TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.](#)  
35 [Sec. 7701. - Definitions](#)

36 (a)(30) [United States](#) person  
37 The term “United States person” means -

38 (A) a [corporate] [citizen](#) or [resident](#) [alien] of the [federal] United States,  
39 (B) a domestic partnership,  
40 (C) a domestic [corporation](#),  
41  
42



- (D) any estate (other than a foreign estate, within the meaning of paragraph (31)), and  
(E) any trust if -  
(i) a court within the United States is able to exercise primary supervision over the administration of the trust, and  
(ii) one or more United States persons have the authority to control all substantial decisions of the trust.

The "U.S. person" mentioned above is a public office within the government domiciled on federal territory and is NOT a human being or a "citizen" within the meaning of the Constitution, as is proven below:

Why You are a "national", "state national", and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

Similarly, pursuant to 20 CFR §422.104, Social Security Numbers may only lawfully be issued to "U.S. persons", who are persons domiciled on federal territory. "U.S. persons" include statutory "U.S. citizens" pursuant to [8 U.S.C. §1401](#) as well as "residents" pursuant to [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) but exclude "citizens" and "residents" within the meaning of the Constitution:

TITLE 20--EMPLOYEES' BENEFITS  
CHAPTER III--SOCIAL SECURITY ADMINISTRATION  
PART 422\_ORGANIZATION AND PROCEDURES--Table of Contents  
Subpart B\_General Procedures  
Sec. 422.104 Who can be assigned a social security number.

(a) Persons eligible for SSN assignment. We can assign you a social security number if you meet the evidence requirements in Sec. 422.107 and you are:

- (1) A United States citizen; or**  
**(2) An alien lawfully admitted to the United States for permanent residence or under other authority of law permitting you to work in the United States (Sec. 422.105 describes how we determine if a nonimmigrant alien is permitted to work in the United States); or**

[SOURCE:  
[http://a257.g.akamaitech.net/7/257/2422/10apr20061500/edocket.access.gpo.gov/cfr\\_2006/aprqrtr/20cfr422.104.htm](http://a257.g.akamaitech.net/7/257/2422/10apr20061500/edocket.access.gpo.gov/cfr_2006/aprqrtr/20cfr422.104.htm)]

Therefore, it is ILLEGAL for a nonresident alien to be issued a Social Security Number, because they are not indicated in the above regulation. The above is also confirmed by the Social Security Administration, Program Operations Manual System (POMS):

<https://s044a90.ssa.gov/apps10/poms.nsf/partlist!OpenView>

Citizenship requirements for issuing Social Security Numbers are found in section GN003, and the POMS system conveniently REMOVES and OMITTS the citizenship requirements found in GN00303 from the table of contents so you can't find them, but they are there if you search for them using the search function. They do this in order to HIDE the requirements from you. You can find this section at:

<https://s044a90.ssa.gov/apps10/poms.nsf/lnx/0200303000!opendocument>

The search function reveals that Social Security Program Operations Manual System (POMS), Section GN 00303.700 establishes that residency on federal territory is a requirement to be eligible for SS benefits or the issuance of an SS Card or SSN:

GN 00303.700 U.S. Residency

CITATION

Social Security Act, Section 228, Section 1614, Section 1818, Section 1836; Regulations No. 16 - Sec. 416.1603;  
Immigration and Nationality Act, Sec. 101(a)(33)(36) and 101(a)(38)

A. POLICY

An individual must be a U.S. resident to be eligible for the following benefits:

- Special Age 72;
- Hospital Insurance (HI) and/or Supplementary Medical Insurance (SMI) for uninsured individuals; and
- SSI, except for certain children residing abroad with a parent in the U.S. Armed Forces (see [GN 00303.740B.](#)) and effective 01/01/95, certain students who are temporarily residing abroad (see [SI 00501.411- SI 00501.413.](#))

[SOURCE: <https://s044a90.ssa.gov/apps10/poms.nsf/lnx/0200303700>]

If you write the Social Security Administration about who they are authorized to issue SSN's to, they will FLAT OUT LIE by telling you that ANYONE can get a number, in direct violation of 20 CFR §422.104(a) above. Therefore, you should not trust ANYTHING they say unless they back it up with a statute AND an implementing regulation and a court cite proving their point. We have never seen any correspondence from the government that offered any legitimate legal authority behind the proposition that the Social Security Administration can lawfully issue a Social Security Number to a nonresident alien because there isn't any such authority.

In addition, the Treasury Regulations say that nonresident aliens not engaged in a "trade or business" are NOT required to have an identifying number. They are the ONLY entities, in fact, who are expressly exempted from the requirement for using governing identifying numbers:

Title 31: Money and Finance: Treasury  
[PART 306—GENERAL REGULATIONS GOVERNING U.S. SECURITIES](#)  
[Subpart B—Registration](#)  
[§306.10 General](#)

The registration used must express the actual ownership of a security and may not include any restriction on the authority of the owner to dispose of it in any manner, except as otherwise specifically provided in these regulations. The Treasury Department reserves the right to treat the registration as conclusive of ownership. **Requests for registration should be clear, accurate, and complete, conform with one of the forms set forth in this subpart, and include appropriate taxpayer identifying numbers.**<sup>2</sup> The registration of all bonds owned by the same person, organization, or fiduciary should be uniform with respect to the name of the owner and, in the case of a fiduciary, the description of the fiduciary capacity. Individual owners should be designated by the names by which they are ordinarily known or under which they do business, preferably including at least one full given name. The name of an individual may be preceded by any applicable title, as, for example, Mrs., Miss, Ms., Dr., or Rev., or followed by a designation such as M.D., D.D., Sr., or Jr. Any other similar suffix should be included when ordinarily used or when necessary to distinguish the owner from a member of his family. A married woman's own given name, not that of her husband, must be used, for example, Mrs. Mary A. Jones, not Mrs. Frank B. Jones. The address should include, where appropriate, the number and street, route, or any other local feature and the Zip Code.

**<sup>2</sup> Taxpayer identifying numbers are not required for foreign governments, nonresident aliens not engaged in trade or business within the United States, international organizations and foreign corporations not engaged in trade or business and not having an office or place of business or a financial or paying agent within the United States, and other persons or organizations as may be exempted from furnishing such numbers under regulations of the Internal Revenue Service.**

Title 31: Money and Finance: Treasury  
[PART 103—FINANCIAL RECORDKEEPING AND REPORTING OF CURRENCY AND FOREIGN TRANSACTIONS](#)  
[Subpart C—Records Required To Be Maintained](#)  
[§ 103.34 Additional records to be made and retained by banks.](#)

**(a)(3) A taxpayer identification number required under paragraph (a)(1) of this section need not be secured for accounts or transactions with the following:**

(i) Agencies and instrumentalities of Federal, state, local or foreign governments;

(ii) judges, public officials, or clerks of courts of record as custodians of funds in controversy or under the control of the court;

(iii) aliens who are (A) ambassadors, ministers, career diplomatic or consular officers, or (B) naval, military or

other attaches of foreign embassies and legations, and for the members of their immediate families;

(iv) aliens who are accredited representatives of international organizations which are entitled to enjoy privileges, exemptions and immunities as an international organization under the International Organization Immunities Act of December 29, 1945 (22 U.S.C. 288), and the members of their immediate families;

(v) aliens temporarily residing in the United States for a period not to exceed 180 days; (vi) aliens not engaged in a trade or business in the United States who are attending a recognized college or university or any training program, supervised or conducted by any agency of the Federal Government;

(vii) unincorporated subordinate units of a tax exempt central organization which are covered by a group exemption letter,

(viii) a person under 18 years of age with respect to an account opened as a part of a school thrift savings program, provided the annual interest is less than \$10; (ix) a person opening a Christmas club, vacation club and similar installment savings programs provided the annual interest is less than \$10; and

(x) non-resident aliens who are not engaged in a trade or business in the United States. In instances described in paragraphs (a)(3), (viii) and (ix) of this section, the bank shall, within 15 days following the end of any calendar year in which the interest accrued in that year is \$10 or more use its best effort to secure and maintain the appropriate taxpayer identification number or application form therefor.

The above is again repeated on the IRS Form 1042-S Instructions, which say that nonresident aliens are only required to provide an identifying number if they are engaged in a “trade or business”, which is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as “the functions of a public office”.

**Box 14, Recipient’s U.S. Taxpayer Identification Number (TIN)**

You must obtain and enter a U.S. taxpayer identification number (TIN) for:

- Any recipient whose income is effectively connected with the conduct of a [trade or business](#) in the United States.

[\[IRS Form 1042-S Instructions, p. 14\]](#)

Any way you look at it then, unless you are contractually bound to the U.S. government as a “public officer” in some form, and thereby have availed yourself of “privileges” offered by the U.S. Government, then you are not required to either have or to use either a Social Security Number or a Taxpayer Identification Number, and these numbers cannot lawfully even be issued to you.

For further details on the content of this section, see:

|   |
|---|
| <p>Who are “Taxpayers” and Who Needs a “Taxpayer Identification Number”? Form #05.013<br/><a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a></p> |
|---|

## **17.2 Federal government cannot lawfully prosecute you for tax crimes**

The Internal Revenue Code is primarily civil law that applies only to those with a legal domicile on federal territory. All of the government’s authority to impose income taxes, in fact, originates from the coincidence of one’s choice of legal domicile and the taxable activities they engage in:

***“Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes. Since the Fourteenth Amendment makes one a citizen of the state wherein he resides, the fact of residence creates universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter obviously includes a duty to pay taxes, and their nature and measure is largely a political matter. Of course, the situs of property may tax it regardless of the citizenship, domicile, or residence of the owner, the most obvious illustration being a tax on realty laid by the state in which the realty is located.”***  
*[Miller Brothers Co. v. Maryland, [347 U.S. 340](#) (1954)]*

A person with a legal domicile on federal territory called the “United States” is called a “U.S. person” as defined in 26 U.S.C. §7701(a)(30), an “inhabitant”, a “citizen”, or a “resident”. All civil jurisdiction, in fact, originates from one’s



1 voluntary choice of legal domicile. See:

Why Domicile and Becoming a "Taxpayer" Require Your Consent, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

2 Nonresidents, such as nonresident aliens, who are not engaged in a "trade or business" cannot lawfully be civilly prosecuted  
3 under the I.R.C. because:

- 4 1. They are statutorily "stateless persons" immune from the jurisdiction of federal courts pursuant to [28 U.S.C. §1332](#),  
5 because they do not reside in a federal "State" as defined in 28 U.S.C. §1332(d). See [Newman-Green v. Alfonso](#)  
6 [Larrain, 490 U.S. 826 \(1989\)](#).  
7 2. They are not a "stateless person" pursuant to United States Constitution, Article 2, Section 2, because they are within  
8 one of the "States" mentioned in the Constitution, which are not the same as the federal "States" described in [28 U.S.C.](#)  
9 [§1332\(d\)](#).  
10 3. They do not reside in any United States judicial district, which is limited to federal territory within the exterior limits of  
11 the district. Pursuant to Federal Rule of Civil Procedure 4(k), service of process cannot be effected within the district  
12 and therefore the action cannot be commenced.  
13 4. Since they are not a statutory "U.S. citizen" pursuant to [8 U.S.C. §1401](#) nor a "U.S. resident" (alien) pursuant to [26](#)  
14 [U.S.C. §7701\(b\)\(1\)\(A\)](#), it is unlawful to kidnap their legal identity and move it to the District of Columbia pursuant to  
15 [26 U.S.C. §7701\(a\)\(39\)](#) and [26 U.S.C. §7408\(d\)](#) and Federal Rule of Civil Procedure 17(b).

16 The above requirement is confirmed by the regulation that identifies WHO is liable to file tax returns. Here are the liable  
17 parties, and they include only "individuals", all of whom have identifying numbers. Nonresident aliens are mentioned, but  
18 they are "nonresident alien individuals" described in 26 CFR §1.871-1(b), which is a person with a government identifying  
19 number. If you don't have or don't qualify to have a government identifying number or have rescinded the number, then  
20 you can't lawfully be an "individual" who has a liability to file.

21 TITLE 26--INTERNAL REVENUE  
22 CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY  
23 Returns and Records--Table of Contents  
24 Sec. 1.6012-1 Individuals required to make returns of income.

25 (a) Individual citizen or resident—

26 (1) In general.

27 Except as provided in subparagraph (2) of this paragraph, an income tax return must be filed by every  
28 individual for each taxable year beginning before January 1, 1973, during which he receives \$600 or  
29 more of gross income, and for each taxable year beginning after December 31, 1972, during which he  
30 receives \$750 or more of gross income, if such individual is:

- 31 (i) A citizen of the United States, whether residing at home or abroad,  
32 (ii) A resident of the United States even though not a citizen thereof, or  
33 (iii) An alien bona fide resident of Puerto Rico during the entire taxable year.

34 (b) Return of nonresident alien individual.

35 (1) Requirement of return.

36 (i) In general.

37 Except as otherwise provided in subparagraph (2) of this paragraph, every nonresident alien individual  
38 (other than one treated as a resident under section 6013 (g) or (h)) who is engaged in trade or business in  
39 the United States at any time during the taxable year or who has income which is subject to taxation  
40 under Subtitle A of the Code shall make a return on Form 1040NR. For this purpose it is immaterial that  
41 the gross income for the taxable year is less than the minimum amount specified in section 6012(a) for  
42 making a return. Thus, a nonresident alien individual who is engaged in a trade or business in the  
43 United States at any time during the taxable year is required to file a return on Form 1040 NR even  
44 though

45 (a) he has no income which is effectively connected with the conduct of a trade or business in the United  
46 States,

(b) he has no income from sources within the United States, or

(c) his income is exempt from income tax by reason of an income tax convention or any section of the Code.

However, if the nonresident alien individual has no gross income for the taxable year, he is not required to complete the return schedules but must attach a statement to the return indicating the nature of any exclusions claimed and the amount of such exclusions to the extent such amounts are readily determinable.

(ii) Treaty income.

If the gross income of a nonresident alien individual includes treaty income, as defined in paragraph (b)(1) of Sec. 1.871-12, a statement shall be attached to the return on Form 1040NR showing with respect to that income:

(a) The amounts of tax withheld,

(b) The names and post office addresses of withholding agents, and

(c) Such other information as may be required by the return form, or by the instructions issued with respect to the form, to show the taxpayer's entitlement to the reduced rate of tax under the tax convention.

## **(2) Exceptions.**

(i) Return not required when tax is fully paid at source.

**A nonresident alien individual (other than one treated as a resident under section 6013 (g) or (h)) who at no time during the taxable year is engaged in a trade or business in the United States is not required to make a return for the taxable year if his tax liability for the taxable year is fully satisfied by the withholding of tax at source under Chapter 3 of the Code. This subdivision does not apply to a nonresident alien individual who has income for the taxable year which is treated under section 871 (c) or (d) and Sec. 1.871-9 (relating to students or trainees) or Sec. 1.871-10 (relating to real property income) as income which is effectively connected for the taxable year with the conduct of a trade or business in the United States by that individual, or to a nonresident alien individual making a claim under Sec. 301.6402-3 of this chapter (Procedure and Administration Regulations) for the refund of an overpayment of tax for the taxable year.** In addition, this subdivision does not apply to a nonresident alien individual who has income for the taxable year that is treated under section 871(b)(1) as effectively connected with the conduct of a trade or business within the United States by reason of the operation of section 897. For purposes of this subdivision, some of the items of income from sources within the United States upon which the tax liability will not have been fully satisfied by the withholding of tax at source under Chapter 3 of the Code are:

(a) Interest upon so-called tax-free covenant bonds upon which, in accordance with section 1451 and Sec. 1.1451-1, a tax of only 2 percent is required to be withheld at the source,

(b) In the case of bonds or other evidences of indebtedness issued after September 28, 1965, amounts described in section 871(a)(1)(C),

(c) Capital gains described in section 871(a)(2) and paragraph (d) of Sec. 1.871- 7, and

(d) Accrued interest received in connection with the sale of bonds between interest dates, which, in accordance with paragraph (h) of Sec. 1.1441-4, is not subject to withholding of tax at the source.

(ii) Return of individual for taxable year of change of U.S. citizenship or residence.

(a) If an alien individual becomes a citizen or resident of the United States during the taxable year and is a citizen or resident of the United States on the last day of such year, he must make a return on Form 1040 for the taxable year. However, a separate schedule is required to be attached to this return to show the income tax computation for the part of the taxable year during which the alien was neither a citizen nor resident of the United States, unless an election under section 6013 (g) or (h) is in effect for the alien. A Form 1040NR, clearly marked 'Statement' across the top, may be used as such a separate schedule.

(b) If an individual abandons his U.S. citizenship or residence during the taxable year and is not a citizen or resident of the United States on the last day of such year, he must make a return on Form 1040NR for the taxable year, even if an election under section 6013(g) was in effect for the taxable year preceding the year of abandonment. However, a separate schedule is required to be attached to this return to show the income tax computation for the part of the taxable year during which the individual was a citizen or resident of the United States. A Form 1040, clearly marked 'Statement' across the top, may be used as such a separate

schedule.

(c) A return is required under this subdivision (ii) only if the individual is otherwise required to make a return for the taxable year.

(iii) Beneficiaries of estates or trusts.

A nonresident alien individual who is a beneficiary of an estate or trust which is engaged in trade or business in the United States is not required to make a return for the taxable year merely because he is deemed to be engaged in trade or business within the United States under section 875(2). However, such nonresident alien beneficiary will be required to make a return if he otherwise satisfies the conditions of subparagraph (1)(i) of this paragraph for making a return.

(iv) Certain alien residents of Puerto Rico.

This paragraph does not apply to a nonresident alien individual who is a bona fide resident of Puerto Rico during the taxable year. See section 876 and paragraph (a)(1)(iii) of this section.

(3) Representative or agent for nonresident alien individual.

(i) Cases where power of attorney is not required.

The responsible representative or agent within the United States of a nonresident alien individual shall make on behalf of his nonresident alien principal a return of, and shall pay the tax on, all income coming within his control as representative or agent which is subject to the income tax under Subtitle A of the Code. The agency appointment will determine how completely the agent is substituted for the principal for tax purposes. Any person who collects interest or dividends on deposited securities of a nonresident alien individual, executes ownership certificates in connection therewith, or sells such securities under special instructions shall not be deemed merely by reason of such acts to be the responsible representative or agent of the nonresident alien individual. If the responsible representative or agent does not have a specific power of attorney from the nonresident alien individual to file a return in his behalf, the return shall be accompanied by a statement to the effect that the representative or agent does not possess specific power of attorney to file a return for such individual but that the return is being filed in accordance with the provisions of this subdivision.

(ii) Cases where power of attorney is required.

Whenever a return of income of a nonresident alien individual is made by an agent acting under a duly authorized power of attorney for that purpose, the return shall be accompanied by the power of attorney in proper form, or a copy thereof, specifically authorizing him to represent his principal in making, executing, and filing the income tax return. Form 2848 may be used for this purpose. The agent, as well as the taxpayer, may incur liability for the penalties provided for erroneous, false, or fraudulent returns. For the requirements regarding signing of returns, see Sec. 1.6061-1. The rules of paragraph (e) of Sec. 601.504 of this chapter (Statement of Procedural Rules) shall apply under this subparagraph in determining whether a copy of a power of attorney must be certified.

(iii) Limitation.

A return of income shall be required under this subparagraph only if the nonresident alien individual is otherwise required to make a return in accordance with this paragraph.

[SOURCE: SEDM Exhibit #05.041; <http://sedm.org/Exhibits/ExhibitIndex.htm>]

Notice in the above regulation that:

1. The above regulation only deals with various types of individuals.
2. You can be a “nonresident alien” without also being an “individual”, which is the status that our Members must claim. That person has NO liability because he/she is not mentioned anywhere in the Internal Revenue Code or the Treasury Regulations.
3. The standard IRS Form W-8BEN has a block to check which causes you to declare you are an “individual”.
4. Our AMENDED IRS Form W-8BEN has an additional block to check called “Union State Citizen” so that you don’t declare yourself to be an “individual”. See:

About IRS Form W-8BEN, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>

5. The nonresident alien individual only becomes liable to file a return if he/she meets one of the following:



5.1. Engaged in the “trade or business” franchise.

5.2. Had earnings described in 26 U.S.C. §871(c) : Participants in certain exchange or training programs. See also 26 CFR §1.871-9.

5.3. Had earnings described in 26 U.S.C. §871(d) : Election to treat real property income as income connected with “United States\*\*” (federal territory) business.

The instructions for IRS Form 1040 also echo the above requirement and deliberately omit “nonresident aliens”. The implications is that you can’t be a “nonresident” by filing the form, which means that it must be a form for “residents” (aliens) ONLY:

**Filing Requirements**

*These rules apply to all U.S. citizens, regardless of where they live, and resident aliens.*

*[IRS 1040 Booklet, Year 2001, p. 15;*

*SOURCE: <http://famguardian.org/TaxFreedom/Forms/IncomeTaxRtn/Federal/IRSForm1040Instr.pdf>]*

If you would like to know more about the legal requirement to file income tax returns, see the following informative free pamphlet:

[Legal Requirement to File Federal Income Tax Returns](http://sedm.org/Forms/FormIndex.htm), Form #05.009

<http://sedm.org/Forms/FormIndex.htm>

Who is the “individual” they are talking about above? It is a government “employee”, public officer, agent, or contractor, because this is the same “individual” described in 5 U.S.C. §552a(a)(2) who:

1. Is identified as a “citizen” or “resident” with a domicile on federal territory called the “United States”.
2. Is a government employee because this section is in Title 5 of the U.S. Code and regulates the conduct of only employees and agents of the government. This statute is also the authority used to protect the records of these “individuals” under the authority of the Privacy Act.

Since nonresident aliens who are NOT “individuals”, meaning government officers and agents and benefit recipients, are *not* listed as being liable to file in either the regulations or the IRS Form 1040 Instruction Booklet, they are purposefully excluded from the requirement, according to the rules of statutory construction:

**“When a statute includes an explicit definition, we must follow that definition, even if it varies from that term’s ordinary meaning.”** *Meese v. Keene*, 481 U.S. 465, 484-485 (1987) (“It is axiomatic that the statutory definition of the term excludes unstated meanings of that term”); *Colautti v. Franklin*, 439 U.S. at 392-393, n. 10 (“As a rule, ‘a definition which declares what a term “means” . . . excludes any meaning that is not stated”); *Western Union Telegraph Co. v. Lenroot*, 323 U.S. 490, 502 (1945); *Fox v. Standard Oil Co. of N.J.*, 294 U.S. 87, 95-96 (1935) (Cardozo, J.); see also 2A N. Singer, *Sutherland on Statutes and Statutory Construction* § 47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read “as a whole,” post at 998 [530 U.S. 943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include the Attorney General’s restriction -- “the child up to the head.” Its words, “substantial portion,” indicate the contrary.”

[*Stenberg v. Carhart*, 530 U.S. 914 (2000) ]

**“Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that the expression of one thing is the exclusion of another.”** *Burgin v. Forbes*, 293 Ky. 456, 169 S.W.2d 321, 325; *Newblock v. Bowles*, 170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred.** Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded.”

[Black’s Law Dictionary, Sixth Edition, p. 581]

Consequently, a nonresident alien who is not an “individual” is civilly immune from the jurisdiction of the federal courts. They also cannot be compelled to appear as a witness in federal court. See:

*Internal Revenue Manual*

*9.13.1.5 (09-17-2002)*

*Witnesses In Foreign Countries*

1. Nonresident aliens physically present in a foreign country **cannot be compelled to appear as witnesses in a**

United States District Court since they are beyond jurisdiction of United States officials. Since the Constitution requires confrontation of adverse witnesses in criminal prosecutions, the testimony of such aliens may not be admissible until the witness appears at trial. However, certain testimony for the admissibility of documents may be obtained under 18 USC §3491 et seq. without a "personnel" appearance in the United States. Additionally, 28 USC §1783 et seq. provides limited powers to induce the appearance of United States citizens physically present in a foreign country.  
[SOURCE: <http://www.irs.gov/irm/part9/ch13s01.html>]

18 U.S.C. §4001 and Federal Rule of Criminal Procedure 54(c ) before December 2002 also establish that the government enjoys no criminal jurisdiction against nonresident aliens either:

TITLE 18 > PART III > CHAPTER 301 > Sec. 4001.  
Sec. 4001. - Limitation on detention; control of prisons

(a) No citizen shall be imprisoned or otherwise detained by the United States except pursuant to an Act of Congress.

---

Federal Rule of Criminal Procedure 54(c ), prior to Dec. 2002

"Act of Congress" includes any act of Congress locally applicable to and in force in the District of Columbia, in Puerto Rico, in a territory or in an insular possession."

In conclusion, if you are an average American who doesn't participate in public office in the government and is not an "alien", then you can't be the "individual" mentioned above as confirmed by section 4 earlier. Furthermore, you can avoid criminal liability under the I.R.C. as a "nonresident alien" using the following strategy:

1. Do NOT claim to be an "individual" by:
  - 1.1. Filing IRS Form 1040. The form says "U.S. INDIVIDUAL Income Tax Return" in the upper left corner.
  - 1.2. Asking for an "INDIVIDUAL Taxpayer Identification Number" on IRS Form W-7 or W-9.
  - 1.3. Filling out any form in which you declare yourself to be an "individual".All of the above implicitly make you a federal entity or instrumentality against whom the government has legislative power.
2. Claim to be an "individual" and don't engage in any of the following activities:
  - 2.1. Engaged in the "trade or business" franchise pursuant to 26 U.S.C. §7701(a)(26).
  - 2.2. Had earnings described in 26 U.S.C. §871(c ): Participants in certain exchange or training programs. See also 26 CFR §1.871-9.
  - 2.3. Had earnings described in 26 U.S.C. §871(d ): Election to treat real property income as income connected with United States (federal government/territory) business.

### **17.3 IRS cannot file a lien against you**

The Federal Tax Lien Act requires that all federal tax liens must be filed in the county of the last known domicile of the "taxpayer". See:

1. Federal Tax Lien Act, Pub. L. 89-719, 80 Stat. 1144  
<http://famguardian.org/TaxFreedom/CitesByTopic/Lien-FedTaxLienAct-P.L.-89-719.pdf>
2. Senate Report 89-1708  
<http://famguardian.org/TaxFreedom/CitesByTopic/Lien-SenReport-89-1708-highlighted.pdf>
3. Internal Revenue Manual, Section 5.17.2.3.2, which says:

*Internal Revenue Manual*  
*5.17.2.3.2 (10-31-2000)*  
*Place of Filing*

*The filing of the notice of federal tax lien is governed by both federal and state law. It is important to determine the place of the filing of the NFTL in order to preserve the Service's lien status with respect to certain types of property and with respect to certain types of taxpayers.*

*Generally speaking, different filing rules apply for real property and personal property. IRC 6323(f) provides*

that states may designate the place for filing the NFTL. As against real property, the NFTL is filed in the one office designated by the State where the property is physically located. As against personal property, the situs of both tangible or intangible property is the residence of the taxpayer at the time the notice of lien is filed. A notice of federal tax lien is therefore to be filed in the one office designated by the State where the taxpayer resides at the time the notice of lien is filed. Most states require the NFTL be filed where other encumbrances on property are filed, e.g., in the real and/or personal property records in the office of the county recorder or the clerk of the county where the real property is located or where the taxpayer resides.

The domicile, in turn, is described on IRS forms as “permanent address”. See IRS Form W-8BEN, block 4, for instance. See:

About IRS Form W-8BEN, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>

A person who is a “nonresident alien” and who provides to the IRS an address in a foreign country on an IRS Form 8822 Change of Address form has a distinct advantage over a “U.S. person”, in that the IRS cannot lawfully file the tax lien in the foreign country. For instance, if the IRS is provided a foreign address in Mexico or Canada on IRS Form 8822, these places do not accept, do not file, and will not enforce foreign liens of any kind against nonresident parties.

#### **17.4 Minimum amount in controversy is eliminated under 28 U.S.C. §1332(a)**

Nonresident aliens file cases in federal court using Constitutional diversity of citizenship, as found in Article III of the Constitution. They do NOT file using statutory diversity found in 28 U.S.C. §1332 because the definition of “State found in 28 U.S.C. §1332(d) does not include states of the Union. Under statutory but not constitutional diversity of citizenship, the minimum amount in controversy must exceed the sum of \$75,000. However:

1. Those filing with constitutional but not statutory diversity of citizenship are not subject to this minimum because they are not subject to federal jurisdiction on this subject.
2. Nonresident aliens who are an instrumentality of a “foreign state” are exempt from this minimum limit of \$75,000 in the case of nonjury trials where they do not enjoy immunity under 28 U.S.C. §§1605-1607:

TITLE 28 > PART IV > CHAPTER 85 > § 1330  
§ 1330. Actions against foreign states

(a) The district courts shall have original jurisdiction without regard to amount in controversy of any nonjury civil action against a foreign state as defined in section 1603 (a) of this title as to any claim for relief in personam with respect to which the foreign state is not entitled to immunity either under sections 1605–1607 of this title or under any applicable international agreement.

We’ll now spend the remainder of this section addressing item 2 above. A state of the Union is a “foreign state” with respect to federal jurisdiction. This is confirmed by the legal encyclopedia:

“Generally, the states of the Union sustain toward each other the relationship of independent sovereigns or independent foreign states, except in so far as the United States is paramount as the dominating government, and in so far as the states are bound to recognize the fraternity among sovereignties established by the federal Constitution, as by the provision requiring each state to give full faith and credit to the public acts, records, and judicial proceedings of the other states...”  
[81A Corpus Juris Secundum (C.J.S.), United States, §29]

“Territories’ or ‘territory’ as including ‘state’ or ‘states.” While the term ‘territories of the’ United States may, under certain circumstances, include the states of the Union, as used in the federal Constitution and in ordinary acts of congress “territory” does not include a foreign state.

“As used in this title, the term ‘territories’ generally refers to the political subdivisions created by congress, and not within the boundaries of any of the several states.”  
[86 C.J.S. [Corpus, Juris, Secundum, Legal Encyclopedia], Territories, §1]

A person who has a domicile in a state of the Union and who participates as a citizen in the affairs of the state as a jurist or a voter is:

1. An instrumentality of a foreign state.

#### **Nonresident Alien Position**

Copyright Sovereignty Education and Defense Ministry, <http://sedm.org>  
Form 05.020, Rev. 9-20-2009

184 of 327

EXHIBIT: \_\_\_\_\_



"It is again to antagonize Chief Justice Marshall, when he said: 'The government of the Union, then (whatever may be the influence of this fact on the case), is emphatically and truly a government of the people. In form and in substance it emanates from them. Its powers are granted by them, and are to be exercised directly on them and for their benefit. This government is acknowledged by all to be one of enumerated powers.' 4 Wheat. 404, 4 L. ed. 601."  
[Downes v. Bidwell, [182 U.S. 244](#) (1901) ]

"The words 'people of the United States' and 'citizens,' are synonymous terms, and mean the same thing. They both describe the political body who, according to our republican institutions, form the sovereignty, and who hold the power and conduct the government through their representatives. They are what we familiarly call the 'sovereign people,' and every citizen is one of this people, and a constituent member of this sovereignty. ..."  
[Boyd v. State of Nebraska, [143 U.S. 135](#) (1892)]

2. Not a statutory "citizen of the United States" under 8 U.S.C. §1401, and as required by 28 U.S.C. §1603(b)(3). See:

[Why You are a "national", "state national", and Constitutional but not Statutory Citizen](#), Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

Alternatively, a person who has formed his own "state", such as a religious or social group that has its own territory, domicile, and court system, is also eligible under this requirement to be classified as a "foreign state". The only problem with the above requirement is that you must forfeit sovereign immunity in order to take advantage of this benefit. In most cases, the reason you would go into a federal court to begin with is to defend your sovereign immunity, and you can't protect it if you have to surrender it in order to litigate to defend it in a federal court. Another way of saying this is that the federal government will not respect your sovereignty as a "nonresident alien" by allowing you to defend it in a federal court.

## **17.5 Protected from federal jurisdiction by the Minimum Contacts Doctrine**

A nonresident alien not engaged in a "trade or business", as defined under 26 CFR §1.871-1(b)(1)(i) is exempt from the jurisdiction of federal courts for federal tax purposes. When a nonresident alien engages in a "trade or business", which is a public office, he loses that exemption from federal jurisdiction and is treated effectively as a "resident":

[26 CFR §301.7701-5 Domestic, foreign, resident, and nonresident persons.](#)

*A domestic corporation is one organized or created in the United States, including only the States (and during the periods when not States, the Territories of Alaska and Hawaii), and the District of Columbia, or under the law of the United States or of any State or Territory. A foreign corporation is one which is not domestic. A domestic corporation is a resident corporation even though it does no business and owns no property in the United States. **A foreign corporation engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident foreign corporation, and a foreign corporation not engaged in trade or business within the United States, as a nonresident foreign corporation.** A partnership engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident partnership, and a partnership not engaged in trade or business within the United States, as a nonresident partnership. **Whether a partnership is to be regarded as resident or nonresident is not determined by the nationality or residence of its members or by the place in which it was created or organized.***  
[Amended by T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), Page 4967-4975]

This surrender of sovereign immunity by engaging in privileged activities with the government, a "public office" in this case, is documented in the Foreign Sovereign Immunities Act, [28 U.S.C. §1605\(a\)\(2\)](#).

[TITLE 28 > PART IV > CHAPTER 97 > § 1605](#)  
[§ 1605. General exceptions to the jurisdictional immunity of a foreign state](#)

(a) A foreign state shall not be immune from the jurisdiction of courts of the United States or of the States in any case—

(2) in which the action is based upon a commercial activity carried on in the United States by the foreign state; or upon an act performed in the United States in connection with a commercial activity of the foreign state elsewhere; or upon an act outside the territory of the United States in connection with a commercial activity of the foreign state elsewhere and that act causes a direct effect in the United States;

If you wish to invoke the protection of the minimum contacts doctrine, you cannot be a statutory "citizen of the United States", as indicated by [28 U.S.C. §1603\(b\)\(3\)](#). The "citizen of the United States" they are talking about is a statutory citizen of the United States under [8 U.S.C. §1401](#) and excludes a constitutional "citizen of the United States" mentioned in

1 section 1 of the Fourteenth Amendment. The reason is because this is a statute and nearly all statutes presume the term  
2 "United States" means the federal zone and exclude states of the Union:

3 "It is no longer open to question that the general government, unlike the states, Hammer v. Dagenhart, 247  
4 U.S. 251, 275, 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, possesses no inherent power in respect of the  
5 internal affairs of the states; and emphatically not with regard to legislation."  
6 [Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936)]

7 You can use the above knowledge as a nonresident alien in your favor in any court to invoke the protection of the Foreign  
8 Sovereign Immunities Act and get your case dismissed. You would do this by demanding evidence from the government  
9 that you are engaged in commerce within the federal zone and by presenting as evidence a rebuttal of their evidence. This  
10 commerce would include Social Security Benefits or "trade or business" activity:

11 1. The techniques for rebutting false "trade or business" reports are found in the link below, in section 4.2:

12 <http://sedm.org/SampleLetters/Federal/FedLetterAndNoticeIndex.htm>

13 2. The technique for quitting social security is found below as form #6.2:

14 <http://sedm.org/Forms/FormIndex.htm>

15 Once all the evidence connecting you to a "trade or business" and all other "commercial activity" has been rebutted, then  
16 the government now has to meet all the criteria required by the minimum contacts doctrine. This criteria is described by the  
17 Ninth Circuit Appeals Court below:

18 *In this circuit, we analyze specific jurisdiction according to a three-prong test:*

19 (1) *The non-resident defendant must purposefully direct his activities or consummate some transaction with the*  
20 *forum or resident thereof; or perform some act by which he purposefully avails himself of the privilege of*  
21 *conducting activities in the forum, thereby invoking the benefits and protections of its laws;*

22 (2) *the claim must be one which arises out of or relates to the defendant's forum-related activities; and*

23 (3) *the exercise of jurisdiction must comport with fair play and substantial justice, i.e. it must be reasonable.*

24 *Schwarzenegger v. Fred Martin Motor Co., 374 F.3d 797, 802 (9th Cir. 2004) (quoting Lake v. Lake, 817 F.2d*  
25 *1416, 1421 (9th Cir. 1987)). The first prong is determinative in this case. We have sometimes referred to it, in*  
26 *shorthand fashion, as the "purposeful availment" prong. Schwarzenegger, 374 F.3d at 802. Despite its label,*  
27 *this prong includes both purposeful availment and purposeful direction. It may be satisfied by purposeful*  
28 *availment of the privilege of doing business in the forum; by purposeful direction of activities at the forum; or*  
29 *by some combination thereof.*  
30 [\[Yahoo! Inc. v. La Ligue Contre Le Racisme Et L'Antisemitisme, 433 F.3d 1199 \(9th Cir. 01/12/2006\)\]](#)

31 If the government doesn't demonstrate "purposeful availment" by the defendant of forum related commerce that would  
32 produce a waiver of sovereign immunity, then they must dismiss the case against you. Furthermore, if they don't honor the  
33 limitations imposed by the minimum contacts doctrine, then they have violated due process of law:

34 "In *International Shoe Co. v. Washington*, 326 U.S. 310 (1945), the Supreme Court held that a court may  
35 exercise personal jurisdiction over a defendant consistent with due process only if he or she has "certain  
36 minimum contacts" with the relevant forum "such that the maintenance of the suit does not offend  
37 'traditional notions of fair play and substantial justice.'" *Id.* at 316 (quoting *Milliken v. Meyer*, 311 U.S. 457,  
38 463 (1940)). Unless a defendant's contacts with a forum are so substantial, continuous, and systematic that the  
39 defendant can be deemed to be "present" in that forum for all purposes, a forum may exercise only "specific"  
40 jurisdiction - that is, jurisdiction based on the relationship between the defendant's forum contacts and the  
41 plaintiff's claim."  
42 [\[Yahoo! Inc. v. La Ligue Contre Le Racisme Et L'Antisemitisme, 433 F.3d 1199 \(9th Cir. 01/12/2006\)\]](#)

43 A judgment rendered in violation of due process of law is a void judgment that you need not obey:

44 "A judgment rendered in violation of due process is void in the rendering State and is not entitled to full faith  
45 and credit elsewhere.  
46 [Pennoyer v. Neff, 95 U.S. 714, 732-733 (1878)]If the federal court does not , and if they don't, they are

violating due process and issuing a void judgment that you need not obey

If you want to avail yourself of the protections of the minimum contacts doctrine as a nonresident alien, then it is therefore important to:

1. Declare yourself as a “nonresident alien” or “nonresident” litigant in your affidavit of material facts submitted to the court. You may want to go back and review the content of section 15 to ensure that you have not unwittingly surrendered your nonresident status by engaging in any privileged or commercial activity with the “United States” federal corporation.
2. Not engage in any commercial activity with the federal government that would cause a surrender of sovereign immunity under [28 U.S.C. §1605\(a\)\(2\)](#) and to point this out to the court in your pleadings.
3. Not engage in a “trade or business”, which is a type of privileged activity related to a public office in the United States government. Instead, we must promptly rebut all information returns which might accomplish this using the information available in section 4.2 below:  
<http://sedm.org/SampleLetters/Federal/FedLetterAndNoticeIndex.htm>
4. To properly declare your status before the court as a nonresident alien not engaged in a trade or business who is not a statutory “citizen of the United States” under [8 U.S.C. §1401](#). This can be accomplished by submitting the Affidavit of Citizenship, Domicile, and Tax Status form below:  
<http://sedm.org/Forms/Affidavits/AffCitDomTax.pdf>
5. Change all government forms and documentation to ensure that it says you are not a statutory “citizen of the United States” under [8 U.S.C. §1401](#) and instead are a “national” but not “citizen”. This will prevent you from surrendering sovereign immunity under [28 U.S.C. §1603\(b\)\(3\)](#). See form 5.6 below:  
<http://sedm.org/Forms/FormIndex.htm>

## **17.6 Nonresident alien NON-individuals have no requirement to file tax returns**

The requirement to file tax returns for nonresident aliens is found in 26 CFR §1.6012-1(b)(1)(i) below:

TITLE 26--INTERNAL REVENUE  
CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY  
Returns and Records--Table of Contents  
Sec. 1.6012-1 Individuals required to make returns of income.

(b) Return of **nonresident alien individual**—

(1) Requirement of return—

(i) In general.

*Except as otherwise provided in subparagraph (2) of this paragraph, every nonresident alien individual (other than one treated as a resident under section 6013 (g) or (h)) who is engaged in trade or business in the United States at any time during the taxable year or who has income which is subject to taxation under subtitle A of the Code shall make a return on Form 1040NR. For this purpose it is immaterial that the gross income for the taxable year is less than the minimum amount specified in section 6012(a) for making a return. Thus, a nonresident alien individual who is engaged in a trade or business in the United States at any time during the taxable year is required to file a return on Form 1040 NR even though (a) he has no income which is effectively connected with the conduct of a trade or business in the United States, (b) he has no income from sources within the United States, or (c) his income is exempt from income tax by reason of an income tax convention or any section of the Code. However, if the nonresident alien individual has no gross income for the taxable year, he is not required to complete the return schedules but must attach a statement to the return indicating the nature of any exclusions claimed and the amount of such exclusions to the extent such amounts are readily determinable.*

The only parties made liable are “nonresident alien individuals”. Those who are “nonresident aliens” but NOT “individuals” do not have a requirement. Recall from section 2 earlier that a “nonresident alien individual” is:

1. An alien individual AND.
2. Who meets one of the following:
  - 2.1. Residence/domicile in a foreign country under the residence article of an income tax treaty and 26 CFR §301.7701(b)-7(a)(1).
  - 2.2. Residence/domicile as an alien in Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S.



Virgin Islands, or American Samoa as determined under 26 CFR §301.7701(b)-1(d).

Therefore, a “non-citizen national” human being born anywhere in America who has a domicile in a state of the Union:

1. Is a “nonresident alien” as defined in 26 U.S.C. §7701(b)(1)(B) because neither a statutory “citizen” nor “resident”.
2. Is a “nonresident alien **NON-individual**”
3. Is **NOT** a “nonresident alien **individual**” because not an “alien”.
4. Has no block he or she can check in Block 3 of the IRS Form W-8BEN, because the only option that approximates a human being is “individual” and you can’t be an individual without being an alien. See:

*About IRS Form W-8BEN*, Form #04.202

<http://sedm.org/Forms/FormIndex.htm>

5. Has no requirement to file an income tax return pursuant to the above or any other provision of the Internal Revenue Code.
6. Does not become an “individual” until they make an election under an income tax treaty as indicated above and interface to the IRS through the treaty as an “alien”. They are an alien in relation to the foreign country they are in and therefore an “alien” through the tax treaty under 26 U.S.C. §911.
7. As long as they avoid accepting tax treaty benefits, they can retain their status as a “nonresident alien NON-individual” who is a nontaxpayer with no requirement to file a tax return.

## 18 Tax Withholding and Reporting on Nonresident aliens

The following subsections deal with tax withholding and reporting for Nonresident Aliens, abbreviated “NRAs”. For further details, see the following additional resources:

1. *Income Tax Withholding and Reporting Course*, Form #12.004. Short training course that summarizes all types of income tax withholding.  
<http://sedm.org/Forms/FormIndex.htm>
2. *Federal and State Tax Withholding Options for Private Employers*, Form #04.101. Free book which exhaustively covers lawful state and federal withholding and reporting options for private employers.  
<http://sedm.org/Forms/FormIndex.htm>
3. *Federal Tax Withholding*, Form #04.102. Short pamphlet that summarizes the above exhaustive book which you can hand to private employers.  
<http://sedm.org/Forms/FormIndex.htm>
4. *Tax Withholding and Reporting: What the Law Says*, Form #04.103. Brief summary of tax withholding and reporting laws for busy executives.  
<http://sedm.org/Forms/FormIndex.htm>

### 18.1 General constraints upon all withholding and reporting

This section covers some general constraints upon withholding useful in educating private employers of their obligations:

1. The Internal Revenue Code Subtitles A and C only applies to federal government instrumentalities, agents, contractors, and benefit recipients. This is exhaustively described in the pamphlet below:

*Why Your Government is Either a Thief or You are a “Public Officer” for Income Tax Purposes*, Form #05.008

<http://sedm.org/Forms/FormIndex.htm>

2. The I.R.C. Subtitle C, Employment Taxes, only addresses the conduct of “public employers” within the United States government. It cannot and does not regulate the conduct of *private employers*, and especially not those in states of the Union.

*IRM 5.14.10.2 (09-30-2004)*

*Payroll Deduction Agreements*

2. **Private employers, states, and political subdivisions are not required to enter into payroll deduction**

**agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.

[SOURCE: <http://www.irs.gov/irm/part5/ch14s10.html>]

1 "The power to "legislate generally upon" life, liberty, and property [of PRIVATE citizens], as opposed to the  
2 "power to provide modes of redress" against offensive state[PUBLIC] action, was "repugnant" to the  
3 Constitution. Id., at 15. See also United States v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106  
4 U.S. 629, 639 (1883); James v. Bowman, 190 U.S. 127, 139 (1903). Although the specific holdings of these  
5 early cases might have been superseded or modified, see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379  
6 U.S. 241 (1964); United States v. Guest, 383 U.S. 745 (1966), their treatment of Congress' §5 power as  
7 corrective or preventive, not definitional, has not been questioned."  
8 [City of Boerne v. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997)]

9 If you want to prove this for yourself, rebut the questions at the end of the following, which we encourage you to take  
10 to your next IRS audit:

IRS Due Process Meeting Handout, Form #03.008  
<http://sedm.org/Forms/Discovery/IRSDueProcMtgHandout.pdf>

11 3. Withholding and reporting only applies to earnings connected to a "trade or business", which is defined in 26 U.S.C.  
12 §7701(a)(26) as "the functions of a public office" in the United States government. See:

The "Trade or Business" Scam, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

13 4. All IRS information returns, including IRS Forms W-2, 1042-s, 1098, 1099, and K-1 can ONLY lawfully be used to  
14 report earnings connected with a public office in the United States government pursuant to 26 U.S.C. §6041. They  
15 may NOT be used to report PRIVATE earnings. If they are completed against PRIVATE persons who are NOT  
16 engaged in a public office or the "trade or business" franchise, the filer of these false reports then assumes the  
17 following legal liabilities:

18 4.1. They are civilly liable for damages under 26 U.S.C. §7434 for all the taxes that are illegally withheld or collected  
19 plus attorneys fees.

20 4.2. They are criminally liable for false or fraudulent reports under 26 U.S.C. §7206 and 7207 for up to ten years in  
21 jail.

22 5. A nonresident alien not engaged in a "trade or business" as defined in 26 CFR §1.871-1(b)(1)(i) who does not work for  
23 the U.S. government and receives no payments from the U.S. government under 26 U.S.C. §871 can have no tax  
24 liability and need not withhold. This is confirmed by:

25 5.1. 26 CFR §1.872-2(f)

26 5.2. 26 CFR §31.3401(a)(6)-1(b)

27 5.3. 26 U.S.C. §861(a)(3)(C)(i)

28 5.4. 26 U.S.C. §3401(a)(6)

29 5.5. 26 U.S.C. §1402(b)

30 5.6. 26 U.S.C. §7701(a)(31)

31 6. Backup withholding under 26 U.S.C. §3406 is only done on "resident aliens" as defined in 26 U.S.C. §7701(b)(1)(A)  
32 and not "nonresident aliens" as defined in 26 U.S.C. §7701(b)(1)(B).

## 33 **18.2 IRS propaganda on NRA withholding**

34 Nonresident alien tax withholding is described in IRS Publication 515, available at:

Withholding of Tax on Nonresident Aliens and Foreign Corporations, IRS Pub. 515  
<http://famguardian.org/TaxFreedom/Forms/IRS/IRSPub515.pdf>

35 The IRS website contains propaganda intended to deceive private employers in the states of the Union into withholding  
36 earnings of nonresident aliens who have "income from sources within the United States" at:

NRA Withholding  
<http://www.irs.gov/businesses/small/international/article/0,,id=104997,00.html>

37 This propaganda advises "withholding agents" to withhold 30% of the payments made to nonresident aliens from "sources  
38 within the United States" and to file an IRS Form 1042 documenting the amount of earnings and withholding. The  
39 information provided is deceptive and constructively fraudulent, because:

40 1. The term "U.S." is deliberately not defined in the article and in fact is NOWHERE defined on the IRS website! It is  
41 defined ONLY as federal territory in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d) and nowhere are the  
42 states mentioned in the Constitution expressly included in the definition. Therefore, what is not expressly included is

excluded under the rules of statutory construction

*"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that **the expression of one thing is the exclusion of another.** Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d 321, 325; Newblock v. Bowles, 170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred.** Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded."*  
[Black's Law Dictionary, Sixth Edition, page 581]

This is the only logical conclusion one can reach after reading the rulings of the Supreme Court on the issue of federal jurisdiction within states of the Union such as the following:

*"It is no longer open to question that the general government, unlike the states, Hammer v. Dagenhart, 247 U.S. 251, 275, 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, possesses no inherent power in respect of the **internal** affairs of the states; and emphatically not with regard to legislation.*  
[Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936)]

*"The difficulties arising out of our dual form of government and the opportunities for differing opinions concerning the relative rights of state and national governments are many; **but for a very long time this court has steadfastly adhered to the doctrine that the taxing power of Congress does not extend to the states or their political subdivisions.** The same basic reasoning which leads to that conclusion, we think, requires like limitation upon the power which springs from the bankruptcy clause. United States v. Butler, supra."*  
[Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513, 56 S.Ct. 892 (1936)]

2. There are no "employers" as legally defined outside the "United States" (defined as federal territory). This is confirmed by the regulation below:

Title 26: Internal Revenue  
**PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE**  
**Subpart B—Federal Insurance Contributions Act (Chapter 21, Internal Revenue Code of 1954)**  
**General Provisions**  
**§ 31.3121(b)-3 Employment; services performed after 1954.**

*(a) In general. Whether services performed after 1954 constitute employment is determined in accordance with the provisions of section 3121(b).*

*(b) Services performed within the United States [federal government/territory].*

*Services performed after 1954 within the United States (see §31.3121(e)-1) by an employee for his employer, unless specifically excepted by section 3121(b), constitute employment. With respect to services performed within the United States, the place where the contract of service is entered into is immaterial. The citizenship or residence of the employee or of the employer also is immaterial except to the extent provided in any specific exception from employment. Thus, the employee and the employer may be citizens and residents of a foreign country and the contract of service may be entered into in a foreign country, and yet, if the employee under such contract performs services within the United States, there may be to that extent employment.*

*"(c) Services performed outside the United States—(1) In general. **Except as provided in paragraphs (c)(2) and (3) of this section, services performed outside the United States (see §31.3121(e)-1) do not constitute employment.**"*

Note from the above that services performed outside the statutory "United States\*\*", meaning federal territory do not constitute "employment". This is also consistent with:

- 2.1. **26 U.S.C. §861(a)(3)(C)(i)**, which says that "nonresident aliens" not engaged in a "trade or business" [public office in the U.S. government], even if they work in the "United States", do not earn taxable income. You will note that 4 U.S.C. §72 says that all public offices shall be exercised ONLY in the District of Columbia and not elsewhere.
- 2.2. **26 U.S.C. §3401(a)(6)** says that services of a nonresident alien individual (a person domiciled in a state of the Union) do not constitute "wages" that can be included on a W-2 form.
- 2.3. 26 CFR §1.872-2(f) says that earnings from outside the "United States" (federal territory) does not constitute "gross income".

3. The Internal Revenue Code is NOT positive law or public law, but private law and religion which obligates no one in a



state of the Union to do anything who doesn't first volunteer to be subject to its provisions by signing a contract called a W-4 or an SS-5. See our memorandum of law on this subject:

*Requirement for Consent*, Form #05.003  
<http://sedm.org/Forms/MemLaw/Consent.pdf>

4. Even if the Internal Revenue Code was positive law or public law, private employers in states of the Union are not subject to federal jurisdiction and applying for an Employer Identification Number doesn't make them subject either.

*IRM 5.14.10.2 (09-30-2004)*  
*Payroll Deduction Agreements*

**2. Private employers, states, and political subdivisions are not required to enter into payroll deduction agreements.** Taxpayers should determine whether their employers will accept and process executed agreements before agreements are submitted for approval or finalized.  
[SOURCE: <http://www.irs.gov/irm/part5/ch14s10.html>]

5. Private employers exclusively within states of the Union are NOT the subject of the article, because they do not qualify as "withholding agents" as we pointed out in section 1 of the following:

*Federal Tax Withholding*, Form #04.102  
<http://sedm.org/Forms/FormIndex.htm>

6. Only "public officers" can act as federal "employers" in the I.R.C., who are all instrumentalities of the federal government. The government can only lawfully impose "duties" upon "public employers", not "private employers" because doing otherwise would constitute involuntary servitude in violation of the Thirteenth Amendment. 4 U.S.C. §72 says all "public offices" shall be conducted within the District of Columbia and NOT elsewhere except as expressly provided by law. Well, Congress has never extended the "public offices" that are the subject of the tax upon a "trade or business" or the public offices that are needed to conduct enforcement under 26 U.S.C. §7601 to any state of the Union. Therefore, the tax is limited to instrumentalities of the U.S. government domiciled on federal territory "and not elsewhere".

7. The federal income tax described under I.R.C. Subtitle A is measured by the receipt of "income" in connection with a "trade or business". This is the privileged activity being "taxed", and it is an avoidable activity that few private employees are engaged in, because they do not in deed and in fact hold a privileged "public office" as required by [26 U.S.C. §7701\(a\)\(26\)](#).

The IRS website admits some of the truths above, but you really have to dig for it. In the International Taxpayer Glossary, it says the following about withholding of those who have no income from the "United States\*\*" federal territory:

***Services performed outside the U.S***

*Compensation paid to a nonresident alien (other than a resident of Puerto Rico) for services performed outside the United States [federal government/territory] is not considered wages and is not subject to graduated withholding or 30% withholding.*  
[SOURCE: <http://www.irs.gov/businesses/small/international/article/0,,id=96594,00.html>]

IRS Publication 519, Year 2000 agrees with the above, by saying the following:

***Income Subject to Tax***

***Income from sources outside the United States that is not effectively connected with a trade or business in the United States is not taxable if you receive it while you are a nonresident alien.*** The income is not taxable even if you earned it while you were a resident alien or if you became a resident alien or a U.S. citizen after receiving it and before the end of the year.  
[IRS Publication 519, Year 2000, p. 26]

A person who meets the requirement above of being a nonresident alien with no income from the "United States\*\*" federal territory, whether connected to a trade or business or not under [26 U.S.C. §871](#), is described in the regulations as follows, under 26 CFR §871-1(b)(i):

Title 26: Internal Revenue  
**PART 1—INCOME TAXES**  
*nonresident alien individuals*  
[§ 1.871-1 Classification and manner of taxing alien individuals.](#)

(a) *Classes of aliens.* For purposes of the income tax, alien individuals are divided generally into two classes, namely, resident aliens and nonresident aliens. Resident alien individuals are, in general, taxable the same as citizens of the United States; that is, a resident alien is taxable on income derived from all sources, including sources without the United States. See §1.1–1(b). Nonresident alien individuals are taxable only on certain income from sources within the United States and on the income described in section 864(c)(4) from sources without the United States which is effectively connected for the taxable year with the conduct of a trade or business in the United States. However, nonresident alien individuals may elect, under section 6013 (g) or (h), to be treated as U.S. residents for purposes of determining their income tax liability under Chapters 1, 5, and 24 of the code. Accordingly, any reference in §§1.1–1 through 1.1388–1 and §§1.1491–1 through 1.1494–1 of this part to non-resident alien individuals does not include those with respect to whom an election under section 6013 (g) or (h) is in effect, unless otherwise specifically provided. Similarly, any reference to resident aliens or U.S. residents includes those with respect to whom an election is in effect, unless otherwise specifically provided.

**(b) Classes of nonresident aliens—(1) In general. For purposes of the income tax, nonresident alien individuals are divided into the following three classes:**

**(i) Nonresident alien individuals who at no time during the taxable year are engaged in a trade or business in the United States,**

(ii) Nonresident alien individuals who at any time during the taxable year are, or are deemed under §1.871–9 to be, engaged in a trade or business in the United States, and

(iii) Nonresident alien individuals who are bona fide residents of Puerto Rico during the entire taxable year.

An individual described in subdivision (i) or (ii) of this subparagraph is subject to tax pursuant to the provisions of subpart A (section 871 and following), part II, subchapter N, chapter 1 of the Code, and the regulations thereunder. See §§1.871–7 and 1.871–8. The provisions of subpart A do not apply to individuals described in subdivision (iii) of this subparagraph, but such individuals, except as provided in section 933 with respect to Puerto Rican source income, are subject to the tax imposed by section 1 or section 1201(b). See §1.876–1.

Some important things to note at this point are:

1. There is no IRS withholding form that accurately states and reflects the fact that a nonresident alien whose earnings originate outside the “U.S.\*\*” [federal territory] is not subject to withholding, even though the IRS states this in IRS Publication 515 and on their website as well. This is no accident, but simply proof that the IRS wants to make it as difficult as impossible for nonresident aliens to obey the law by not withholding in cases where they aren’t required to. This ensures that such protected persons have to surrender their rights and privacy by engaging in the indignity of filing a return, disclosing all their personal information, and begging for money back that never should have been withheld or reported in the first place.

***Services performed outside the U.S***

*Compensation paid to a nonresident alien (other than a resident of Puerto Rico) for services performed outside the United States [federal government/territory] is not considered wages and is not subject to graduated withholding or 30% withholding.*

[SOURCE: <http://www.irs.gov/businesses/small/international/article/0,,id=96594,00.html>]

2. IRS does not want to recognize the fact that one can be a nonresident alien without being an “individual” or an “alien”, even though this is in fact the case. The reason is that they don’t want to recognize that the average American is beyond their reach and not subject to their jurisdiction. None of the withholding or reporting forms available from the IRS on the subject of nonresident aliens are intended for use or available for use by the average American who is NOT:

2.1. A “beneficial owner”

2.2. A “U.S. person”

2.3. An “individual”

2.4. An “alien”

When you try to add an option to the form, some recipients balk and just wrongfully PRESUME that there couldn’t be any status OTHER than the options appearing on the form. This too is a deliberate attempt to interfere with the rights of persons not subject to federal jurisdiction by removing remedies from them to document and protect their status. This is documented in our article at:

About IRS Form W-8BEN, Form #04.202

<http://sedm.org/Forms/FormIndex.htm>

3. The only IRS Form that American Nationals who are nonresident aliens can use to stop withholding is the W-8BEN.
4. The standard IRS Form W-8BEN provides no way to avoid disclosing the Beneficial Owner, even though there is no requirement in the I.R.C. itself to do so. Older versions of the W-8 form did not require disclosing the Beneficial Owner.
5. The standard IRS Form W-8BEN does not provide a block to indicate which of the above three types of nonresident aliens the submitter is as documented in 26 CFR §1.871-1(b), and this determination is very important because it affects whether withholding is or is not necessary. Those who are not “effectively connected to a trade or business” mentioned in paragraph (b)(1) above and all of whose earnings originate outside of the “United States\*\*” federal territory would not need withholding. The IRS doesn’t want to provide a form for nonresident aliens that shows how they can satisfy the class (b)(i) condition above and thereby avoid the requirement for withholding. This forces private employers to have to read the IRS publications to find out, which few will do, or call up the IRS to ask, in which case they are sure to get LIES. The reason they will get LIES is because the courts refuse to hold the IRS responsible for anything they say, print, or do. This is discussed at:

Federal Courts and the IRS' Own IRM Say IRS is NOT RESPONSIBLE for Its Actions or its Words or For Following Its Own Written Procedures  
<http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>

The combination of all the above factors combine to introduce just enough ambiguity and uncertainty for private employers that they just roll over and screw their workers rather than obey what the law actually says. This also explains why, if you use the W-8BEN form to stop withholding, you should use the amended form we provide in order to avoid this trap. The article which explains how to lawfully and truthfully and properly complete the IRS Form W-8BEN is:

About IRS Form W-8BEN, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>

### 18.3 Specific withholding requirements in the I.R.C.

Below are the withholding requirements applicable to nonresident aliens, right from the I.R.C. and implementing regulations:

1. 26 CFR §31.3401(a)(6)-1(b) says that nonresident aliens whose earnings originate from outside the “United States\*\*” federal territory or which are not connected with a “trade or business” are not subject to withholding:

*Title 26*  
*PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE*  
*Subpart E—Collection of Income Tax at Source*  
*§ 31.3401(a)(6)-1 Remuneration for services of nonresident alien individuals.*

(a) *In general.*

*All remuneration paid after December 31, 1966, for services performed by a nonresident alien individual, if such remuneration otherwise constitutes wages within the meaning of §31.3401(a)-1 and if such remuneration is effectively connected with the conduct of a trade or business within the United States, is subject to withholding under section 3402 unless excepted from wages under this section. In regard to wages paid under this section after February 28, 1979, the term “nonresident alien individual” does not include a nonresident alien individual treated as a resident under section 6013 (g) or (h).*

(b) *Remuneration for services performed outside the United States.*

*Remuneration paid to a nonresident alien individual (other than a resident of Puerto Rico) for services performed outside the United States is excepted from wages and hence is not subject to withholding.*

2. 26 U.S.C. §3401(a)(6): Definitions

*TITLE 26 > Subtitle C > CHAPTER 24 > § 3401*  
*§ 3401. Definitions*

(a) *Wages*

*For purposes of this chapter, the term “wages” means all remuneration (other than fees paid to a public*



official) for services performed by an employee for his employer, including the cash value of all remuneration (including benefits) paid in any medium other than cash; except that such term shall not include remuneration paid—

(6) for such services, performed by a nonresident alien individual, as may be designated by regulations prescribed by the Secretary; or

3. 26 U.S.C. §3406(g) and 26 CFR §31.3406(g)-1(e) both say that foreign persons (which includes "nonresident aliens") are not subject to backup withholding or information reporting

TITLE 26 > Subtitle C > CHAPTER 24 > § 3406  
§ 3406. Backup withholding

(g) Exceptions

(1) Payments to certain payees Subsection (a) shall not apply to any payment made to— (A) any organization or governmental unit described in subparagraph (B), (C), (D), (E), or (F) of section 6049 (b)(4), or (B) any other person specified in regulations.

(2) Amounts for which withholding otherwise required Subsection (a) shall not apply to any amount for which withholding is otherwise required by this title.

Title 26: Internal Revenue  
PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE  
§ 31.3406(g)-1 Exception for payments to certain payees and certain other payments.

(e) Certain reportable payments made outside the United States by foreign persons, foreign offices of United States banks and brokers, and others. For reportable payments made after December 31, 2000, a payor is not required to backup withhold under section 3406 on a reportable payment that qualifies for the documentary evidence rule described in §1.6049-5(c)(1) or (4) of this chapter, whether or not documentary evidence is actually provided to the payor, unless the payor has actual knowledge that the payee is a United States person. Further, no backup withholding is required for payments upon which a 30-percent amount was withheld by another payor in accordance with the withholding provisions under chapter 3 of the Internal Revenue Code and the regulations under that chapter. For rules applicable to notional principal contracts, see §1.6041-1(d)(5) of this chapter.

4. 26 CFR §1.872-2(f): Exclusions from gross income of nonresident alien individuals

Title 26: Internal Revenue  
PART 1—INCOME TAXES  
nonresident alien individuals  
§ 1.872-2 Exclusions from gross income of nonresident alien individuals.

(f) Other exclusions.

Income which is from sources without [outside] the United States [federal territory per 26 U.S.C. §7701(a)(9) and (a)(10)], as determined under the provisions of sections 861 through 863, and the regulations thereunder, is not included in the gross income of a nonresident alien individual unless such income is effectively connected for the taxable year with the conduct of a trade or business in the United States by that individual. To determine specific exclusions in the case of other items which are from sources within the United States, see the applicable sections of the Code. For special rules under a tax convention for determining the sources of income and for excluding, from gross income, income from sources without the United States which is effectively connected with the conduct of a trade or business in the United States, see the applicable tax convention. For determining which income from sources without the United States is effectively connected with the conduct of a trade or business in the United States, see section 864(c)(4) and §1.864-5.

5. 26 CFR §1.871-7(a)(4): Taxation of nonresident alien individuals not engaged in U.S. business

Title 26: Internal Revenue  
PART 1—INCOME TAXES  
nonresident alien individuals  
§ 1.871-7 Taxation of nonresident alien individuals not engaged in U.S. business.

(a) Imposition of tax

(4) Except as provided in §§1.871–9 and 1.871–10, a nonresident alien individual not engaged in trade or business in the United States during the taxable year has no income, gain, or loss for the taxable year which is effectively connected for the taxable year with the conduct of a trade or business in the United States. See section 864(c)(1)(B) and §1.864–3.

6. [26 U.S.C. §7701\(a\)\(31\): Definitions](#)

[TITLE 26 > Subtitle F > CHAPTER 79 > § 7701](#)  
[§ 7701. Definitions](#)

(31) Foreign estate or trust

(A) Foreign estate

The term “foreign estate” means an estate the income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A.

7. [26 U.S.C. §861\(a\)\(3\)\(C\)\(i\)](#) says that “nonresident aliens”, even if they work in on federal territory, do not earn income from sources within the “United States”, if they are not engaged in a “trade or business”

[TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART I > § 861](#)  
[§ 861. Income from sources within the United States](#)

(a) **Gross income from sources within United States**

The following items of gross income shall be treated as income from sources within the United States:

(3) **Personal services**

Compensation for labor or personal services performed in the United States; except that compensation for labor or services performed in the United States shall not be deemed to be income from sources within the United States if—

(C) the compensation is for labor or services performed as an employee of or under a contract with—

(i) a nonresident alien, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, or

(ii) an individual who is a citizen or resident of the United States, a domestic partnership, or a domestic corporation, if such labor or services are performed for an office or place of business maintained in a foreign country or in a possession of the United States by such individual, partnership, or corporation.

8. [26 U.S.C. §3401\(a\)](#) says that “nonresident aliens” don’t earn “wages” and are therefore not subject to W-2 reporting:

[TITLE 26 > Subtitle C > CHAPTER 24 > § 3401](#)  
[§ 3401. Definitions](#)

(a) For the purposes of this chapter, the term “wages” means all remuneration (other than fees paid to a public official) for services performed by an employee [an elected or appointed public official] to his employer...except that such term shall not include remuneration for:

(6) such services, performed by a nonresident alien individual.

9. [26 U.S.C. §1402\(b\)](#) says that “nonresident aliens” don’t earn “self employment income”:

[TITLE 26 > Subtitle A > CHAPTER 2 > § 1402](#)  
[§ 1402. Definitions](#)

(b) **Self-employment income**

The term “self-employment income” means the net earnings from self-employment derived by an individual (other than a nonresident alien individual, except as provided by an agreement under section 233 of the Social Security Act) during any taxable year; except that such term shall not include—

10. [IRS Publication 515, entitled "Withholding of tax on Nonresident Aliens and Foreign Entities", year 2000](#), says on p. 3 the following:

*"Foreign persons who provide Form W-8BEN, Form W-8ECI, or Form W-8EXP (or applicable documentary evidence) are exempt from backup withholding and Form 1099 reporting."*

11. [Federal Thrift Savings Plan \(TSP\) retirement system pamphlet OC-96-21](#) says:

**3. How much tax will be withheld on payments from the TSP?**

*The amount withheld depends upon your status, as described below. Participant. **If you are a nonresident alien, your payment will not be subject to withholding for U.S. income taxes. (See Question 2.)** If you are a U.S. citizen or a resident alien, your payment will be subject to withholding for U.S. income taxes. If you are a U.S. citizen or resident alien when you separate, you will receive from your employing agency the tax notice "Important Tax Information About Payments From Your TSP Account," which explains the withholding rules that apply to your various withdrawal options.  
[Federal Thrift Savings Program (TSP) Pamphlet OC-96-21, <http://tsp.gov/forms/index.html>, p. 3]*

*Tax Treatment of TSP Payments:*

*[...]*

- **A nonresident alien participant** who never worked for the U.S. Government in the United States will not be liable for U.S. income tax.
- **A nonresident alien beneficiary of a nonresident alien participant** will not be liable for U.S. income tax if the participant never worked for the U.S. Government in the United States

*[Federal Thrift Savings Program (TSP) Pamphlet OC-96-21, <http://tsp.gov/forms/index.html>, p. 2. Keep in mind that "[United States](#)" above is defined as federal territory and "worked for the U.S. government" is defined as a "[trade or business](#)" in [26 U.S.C. 7701\(a\)\(26\)](#), which is then described as "the functions of a public office"]*

Beyond the above list, there is very little else that a private employer needs to know about withholding on nonresident aliens. The above firmly establishes that nonresident aliens with no income from the "United States" government:

1. Are "nontaxpayers".
2. Do not need an identifying number.
3. Do not need any withholding.
4. Do not need any earnings reported. Only earnings from federal territory called the "United States\*\*" or the U.S. Government that are connected with a "trade or business", which is a "public office", must be reported pursuant to 26 U.S.C. §6041. This is what "U.S. sources" means in the Internal Revenue Code.

## **18.4 Backup withholding**

Those who claim to be "nonresident aliens" not engaged in a "trade or business" and who are not "individuals" are sometimes subjected to unlawful backup withholding by ignorant financial institutions and private employers who refuse to read and obey the law as written. This section will provide tools and procedures to fight such forms of involuntary servitude and THEFT under the color of law.

*"The laborer is worthy of [ALL of ] his wages."  
[1 Tim. 5:18, Bible, NKJV]*

*"Woe to him who builds his house by unrighteousness  
And his chambers by injustice,  
**Who [whether individual or government] uses his neighbor's service without wages**  
And gives him nothing for his work,"  
[Jer. 22:13, Bible, NKJV]*

*"Come now, you rich, weep and howl for your miseries that are coming upon you! Your riches are corrupted, and your garments are moth-eaten. Your gold and silver are corroded, and their corrosion will be a witness against you and will eat your flesh like fire. You have heaped up treasure in the last days. **Indeed the wages of the laborers who mowed your fields, which you kept back by fraud, cry out; and the cries of the reapers have reached the ears of the Lord of Sabaoth.** <sup>5</sup>You [the business owner who controls the purse of the workers] have lived on the earth in pleasure and luxury; you have fattened your hearts as<sup>b</sup> in a day of slaughter. You have*



condemned, you have murdered the just; he does not resist you. "  
[James 5:1-6, Bible, NKJV]

"You shall not cheat your neighbor, nor rob him. The **wages** of him who is hired shall not remain with you all night until morning. "  
[Lev. 19:13, Bible, NKJV]

Any way you look at it, private employers who don't have privileged federal "employees" for workers cannot withhold against the wishes of the workers and if they do, they are STEALING and violating both man's law and God's law. There is nothing in federal law or state law that would indemnify them from such STEALING. They are no better than petty street criminals, and any payroll clerk who doesn't understand this is a sitting duck for any worker who is even mildly educated about the law and willing to defend his rights in court.

The IRS website confirms that backup withholding of 30% on nonresident aliens is not authorized:

#### Backup Withholding

Generally, backup withholding applies only to resident aliens and not to nonresident aliens. The payer who neglects or refuses to do backup withholding when required will himself be held liable for the amount of the backup withholding which should have been withheld from any payments. Under regulations which took effect on January 1, 2001, generally, if the status of the payee as a foreign person or a U.S. person cannot be determined, then the payee may be assumed to be a U.S. person subject to backup withholding. For additional information on the documentation to determine the status of a foreign payee refer to NRA Withholding.  
[SOURCE: <http://www.irs.gov/businesses/small/international/article/0,,id=104910,00.html>]

Below is a summary of the requirements for backup withholding:

1. Required by:
  - 1.1. [26 U.S.C. §3406](#).
  - 1.2. [26 CFR §31.3406-0 through 26 CFR §31.3406\(j\)-1](#).
2. Withholding set at 31% of "reportable payments". See [26 CFR §31.3406\(a\)-1\(a\)](#).
3. "reportable payments". are payments "effectively connected with a [trade or business](#)", which means a public office in the government, pursuant to:
  - 3.1. [26 U.S.C. §6041](#). All information returns filed or reported must be connected with a "trade or business" as required by paragraph (a) of this section.
  - 3.2. [26 U.S.C. §3406\(b\)](#).
  - 3.3. [26 U.S.C. §6049](#) in the case of interest payments
  - 3.4. [26 U.S.C. §6042](#) in the case of dividend payments
  - 3.5. [26 U.S.C. §6044](#) in the case of patronage dividends
4. None of the regulations talk about the "trade or business" requirement. It is ONLY found in [26 U.S.C. §6041\(a\)](#), which is where the obligation to report is established.
5. Backup withholding is specifically prohibited:
  - 5.1. On reportable payments that qualify for the documentary evidence rule found in [26 CFR §1.6049-5\(c\)\(1\)](#) or (4).
  - 5.2. For amounts already subject to withholding of 30%.

"Nonresident aliens" who are not engaged in a "trade or business" cannot lawfully become the subject of backup withholding per item 3 above. If a financial institution or private employer indicates that they want to do it anyway we suggest:

1. [26 U.S.C. §3406](#) also authorizes backup withholding in the case of those who refuse to provide a TIN. The requirement to FURNISH a TIN is described in 26 CFR §301.6109-1(b). Those who are "nonresident aliens" but not "individuals" as identified in that section are not listed as having a requirement. Neither are "nonresident alien individuals" who are NOT engaged in a "trade or business". Therefore, by the rules of statutory construction, they are not required to deduct, withhold, or report.

*"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that the expression of one thing is the exclusion of another. Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d 321, 325; Newblock v. Bowles, 170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred. Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects*

1 of a certain provision, other exceptions or effects are excluded.”  
2 [Black’s Law Dictionary, Sixth Edition, p. 581]

- 3 2. If the payer gives you guff when you say you don't have to provide a TIN and are not eligible, give them the following:

*Why it is Illegal for Me to Request or Use a “Taxpayer Identification Number”,* Form #04.205  
<http://sedm.org/Forms/FormIndex.htm>

- 4 3. If the payer gives you guff about whether you are or can choose to be a "nonresident alien" who is not an "individual":  
5 3.1. Show them section 18.3 earlier, which proves that you are a "nontaxpayer" who doesn't need to withhold or  
6 deduct because you earn no "gross income" and your estate is a "foreign estate" as described in [26 U.S.C.](#)  
7 [§7701\(a\)\(31\)](#).  
8 3.2. Show them the definition of "individual" in [26 CFR §1.1441-1\(c\)\(3\)](#) and ask them to prove that you meet the  
9 definition of "nonresident alien individual". They won't be able to prove it so they can't impose a requirement to  
10 provide either a number or withhold.  
11 3.3. Show them [26 U.S.C. §871](#), which only taxes earnings of "nonresident alien individuals", not "nonresident aliens"  
12 who are NOT "[individuals](#)".  
13 3.4. Show them the following, which proves that you have an unalienable right to declare and establish any civil status  
14 you want and that a failure to respect that status constitutes a violation of your First Amendment right of freedom  
15 from compelled association:

*Your Exclusive Right to Declare or Establish Your Civil Status,* Form #13.008  
<http://sedm.org/Forms/FormIndex.htm>

- 16 3.5. Remind them that all franchises are contracts and that contracts are unenforceable in the presence of duress.  
17 Insist on your right to not be compelled to contract with the government by being forced to engage in federal  
18 franchises such as the "[trade or business](#)" franchise. This is covered further in the following:

*Government Instituted Slavery Using Franchises,* Form #05.030  
<http://sedm.org/Forms/FormIndex.htm>

- 19 4. Showing them the legal authorities described above.  
20 5. Submitting an [AMENDED IRS Form W-8BEN](#) to a withholding agent. This causes them to not be able to withhold:

21 "Foreign persons who provide Form W-8BEN, Form W-8ECI, or Form W-8EXP (or applicable documentary  
22 evidence) are exempt from [backup withholding](#) and Form 1099 reporting."  
23 [[IRS Publication 515, year 2000, p. 3](#)]

24 The phrase "(or applicable documentary evidence)" above also covers the following form we prefer over the Standard  
25 IRS Form W-8BEN:

*Affidavit of Citizenship, Domicile, and Tax Status,* Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>

- 26 6. Using the following forms to educate them above what a "trade or business" and to prove that you aren't engaged in  
27 one:  
28 6.1. *Demand for Verified Evidence of “Trade or Business” Activity: Information Return,* Form #04.007  
29 <http://sedm.org/Forms/FormIndex.htm>  
30 6.2. *The “Trade or Business” Scam,* Form #05.001  
31 <http://sedm.org/Forms/FormIndex.htm>

32 If you are a "nonresident alien" or "foreigner" but not an "individual" or "person", DO NOT use the [Standard IRS Form W-](#)  
33 [8BEN](#) because it contains "words of art" that will prejudice your status and make you look like a "taxpayer" as described in  
34 section 5 of the following:

*About IRS Form W-8BEN,* Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>

35 Instead use either of the following:

- 36 1. *Affidavit of Citizenship, Domicile, and Tax Status,* Form #02.001  
37 <http://sedm.org/Forms/FormIndex.htm>  
38 2. [AMENDED IRS Form W-8BEN](#)

1 For further details on backup withholding, see the following resources:

- 2 1. *Income Tax Withholding and Reporting Course*, Form #12.004-contains a summary of all withholding and reporting  
3 requirements, including backup withholding. Present this to your private employers and financial institutions if they  
4 are unsure of the law  
5 <http://sedm.org/Forms/FormIndex.htm>  
6 2. *Backup Withholding "B" Processes* -IRS Website  
7 <http://www.irs.gov/businesses/small/article/0,,id=98151,00.html>

## 8 **19 How to fill out tax withholding and reporting forms to properly reflect your** 9 **status as a nonresident alien**

10 The following subsections cover how to fill out tax withholding and reporting forms to properly reflect your status as a  
11 “nonresident alien” who is NOT an “individual”.

### 12 **19.1 The TWO ways to become a “foreign person”**

13 IRS Publications 515 and 519 describe the tax responsibilities of “foreign persons”. Foreign persons include:

- 14 1. “resident aliens” as defined in 26 U.S.C. §7701(b)(1)(A).  
15 2. “nonresident aliens” as defined in 26 U.S.C. §7701(b)(1)(B).

16 Because there are TWO types of “foreign persons”, then there are TWO ways that you can become a foreign person.  
17 Below is a summary of these mechanisms:

18 **Table 10: Methods of becoming a “foreign person”**

| <i><b>Foreign Person<br/>Name</b></i> | <i><b>Defined in</b></i> | <i><b>“Foreign” because</b></i>  | <i><b>Status is<br/>discretionary?</b></i>                  |
|---------------------------------------|--------------------------|--|---|
| Resident alien                        | 26 U.S.C. §7701(b)(1)(A) | Not born in the COUNTRY  | No. You can’t choose or<br>change where you were<br>born.   |
| Nonresident alien                     | 26 U.S.C. §7701(b)(1)(B) | Not domiciled on federal<br>territory and outside the<br>“United States” as defined in<br>26 U.S.C. §7701(a)(9) and<br>(a)(10) | Yes. All you have to do is<br>declare a different domicile. |

19 Of the two ways you can become a “foreign person”, the only one that is discretionary and is based on your choice or  
20 consent is that of the “nonresident alien”. As long as you don’t have a domicile or residence on federal territory, then you  
21 are a “nonresident alien”. Domicile is a voluntary choice of political association. It is NOT based exclusively on where  
22 you physically live, but on where you **WANT** to live and have been at least once in the past. Consequently, anyone who is  
23 born in our country and who **WANTS** to live outside the “United States” has the right to claim themselves to be a  
24 “nonresident alien”, regardless of their mailing address or the current place they live. This is further discussed below:

*Why Domicile and Becoming a “Taxpayer” Require Your Consent*, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

25 Many financial institutions, payroll, and tax people make the following mistakes in determining whether you are qualified  
26 to be a “foreign person”:

- 27 1. They will look at your mailing address and PRESUME that it is your domicile. You need to remind them that your  
28 domicile and your mailing address are two completely different places.  
29 2. They will look at your mailing address and PRESUME that it is in the same “United States” that is described in the  
30 Internal Revenue Code at 26 U.S.C. §7701(a)(9) and (a)(10). This is FALSE and you need to show them the definition  
31 of “United States”.



3. They will ask you whether you were born in this country and PRESUME that because you were born here, then you can't be a "foreign person". You need to remind them that the separation of legislative powers between the state and federal governments makes them FOREIGN with respect to each other, and that this separation is there for the protection of private rights.
4. They will point to the word "includes" in 26 U.S.C. §7701(c ) and then use that definition as an excuse to add ANYTHING THEY WANT to the definition of words found in the Internal Revenue Code. That is NOT how the law works and what they are doing is simply engaging in religion, not law. Religion is simply any process of belief that cannot be supported by direct, explicit evidence. The rules of statutory construction are very strict and require that when a definition is provided, it SUPERSEDES, not ENLARGES the common meaning of the term.

**"When a statute includes an explicit definition, we must follow that definition, even if it varies from that term's ordinary meaning."** Meese v. Keene, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory definition of the term excludes unstated meanings of that term"); Colautti v. Franklin, 439 U.S. at 392-393, n. 10 ("As a rule, 'a definition which declares what a term 'means' . . . excludes any meaning that is not stated"); Western Union Telegraph Co. v. Lenroot, 323 U.S. 490, 502 (1945); Fox v. Standard Oil Co. of N.J., 294 U.S. 87, 95-96 (1935) (Cardozo, J.); see also 2A N. Singer, Sutherland on Statutes and Statutory Construction § 47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at 998 [530 U.S. 943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include the Attorney General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the contrary."  
[Stenberg v. Carhart, 530 U.S. 914 (2000)]

**"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that the expression of one thing is the exclusion of another."** Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d 321, 325; Newblock v. Bowles, 170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred.** Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded."  
[Black's Law Dictionary, Sixth Edition, p. 581]

If you would like more ammunition to successfully argue the "includes" issue with, see:

Meaning of the Words "Includes" and "Including", Form #05.014  
<http://sedm.org/Forms/FormIndex.htm>

All of the above false presumptions are fostered by:

1. A failure of most tax, accounting, and payroll professionals to read what the law actually says, interpret it according to the strict rules of statutory construction, and to trust what they read.

*"One who turns his ear from hearing the law [God's law or man's law], even his prayer is an abomination."*  
[Prov. 28:9, Bible, NKJV]

*"This **Book of the Law** shall not depart from your mouth, but you shall meditate in it day and night, that you may observe to do according to all that is written in it. For then you will make your way prosperous, and then you will have good success. Have I not commanded you? Be strong and of good courage; do not be afraid, nor be dismayed, for the LORD your God is with you wherever you go."*  
[Joshua 1:8-9, Bible, NKJV,  
IMPLICATION: If you aren't reading and trying to obey God's law daily, then you're not doing God's will and you will not prosper]

*"But this crowd that does not know [and quote and follow and use] the law is accursed."*  
[John 7:49, Bible, NKJV]

*"Salvation is far from the wicked, For they do not seek Your [God's] statutes."*  
[Psalms 119:155, Bible, NKJV]

*"Every man is supposed to know the law. A party who makes a contract [or enters into a franchise, which is also a contract] with an officer [of the government] without having it reduced to writing is knowingly accessory to a violation of duty on his part. Such a party aids in the violation of the law."*  
[Clark v. United States, 95 U.S. 539 (1877)]

2. The deliberate deception and omissions contained in IRS publications.

"IRS Publications, issued by the National Office, explain the law in plain language for taxpayers and their advisors... While a good source of general information, publications should not be cited to sustain a position."  
[Internal Revenue Manual, Section 4.10.7.2.8 (05-14-1999)]

3. The lack of accountability of the IRS for the things it says. See:

*Federal Courts and the IRS' Own IRM Say IRS is NOT RESPONSIBLE for Its Actions or its Words or For Following Its Own Written Procedures*

<http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>

4. The desire to avoid admitting that they have been engaging in injurious presumptions their whole life because of their legal ignorance and the need to avoid liability for all the injuries this causes. See:

*Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017

<http://sedm.org/Forms/FormIndex.htm>

5. The arrogance of not wanting to admit that they are wrong and that all those years of legal and tax education they went through didn't teach them what they really needed to know to properly apply the tax code.

You will therefore need to take as much time as necessary to patiently but forcefully educate all those you come in contact with to correct the above false presumptions. Don't be accusatory, argumentative, arrogant, or threatening in any way. Simply respond with questions designed to enlighten them on the proper application of the tax laws. This is the same approach Jesus took: Respond to questions with more very carefully crafted questions. Once you have done this, most tax, payroll, legal, and management people are usually more than willing to cooperate with you in accepting your nonresident alien withholding paperwork. The enemy is ignorance and presumption, not the government, the tax laws, or the legal profession. Many people in the tax, payroll, legal, and management professions are surprised to learn that they have been basing their beliefs about taxes all these years upon things that the government and the courts have emphatically admitted over the years are UNTRUSTWORTHY. You may want to enlighten them about this fact using the following valuable resource:

*Reasonable Belief About Income Tax Liability*, Form #05.007

<http://sedm.org/Forms/FormIndex.htm>

## 19.2 Instructions for filling out IRS Form W-8BEN

IRS Form W-8BEN is the ONLY form that nonresident aliens domiciled in a state of the Union can use to describe their withholding. The IRS Form W-4 is NOT the proper form and PLEASE don't use it. The proper way to submit this form are described in the article below on our website. We will not repeat the content of that article here in order to save space:

*About IRS Form W-8BEN*, Form #04.202

<http://sedm.org/Forms/FormIndex.htm>

## 19.3 Affidavit of Citizenship, Domicile, and Tax Status

We have assembled a substitute for the IRS Form W-8BEN which you can use to document your lack of liability for tax withholding and reporting as a nonresident alien. This form avoids all of the pitfalls and traps deliberately added to the IRS Form W-8BEN by the IRS described in the article in the previous section.

*Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001

<http://sedm.org/Forms/FormIndex.htm>

## 19.4 Specifying your withholding and reporting when you start a new job or business relationship

We have assembled a very powerful and *excellent* form specifically for use by those accepting new jobs or starting new business relationships or opening financial accounts. This form lawfully allows you to enter such commercial relationships without government numbers, tax withholding, or tax reporting. It is loaded with evidence useful to prove your status right from the IRS publications. It has been very successfully used by our members and we encourage you to either use it or emulate it. We have put a lot of work into making sure that it is not confrontational, helps minimize risk for the private employer, and minimizes confrontation or work on your part. See:

## **19.5 Starting, stopping, or changing your withholding as a nonresident alien AFTER you start your job or business relationship**

After starting your new job or business relationship using the New Hire Paperwork Attachment in the previous section, if you would later like to start, stop, or change your withholding status as a nonresident alien not engaged in a “trade or business”, please see the following publication on our website, which exhaustively explains all the options:

## **19.6 How “U.S. Person” spouses of nonresident aliens must fill out IRS Form W-4 Withholding Forms**

Those who are nonresident aliens frequently are married to spouses who choose to continue to be “taxpayers”, to file IRS Form 1040, and to be statutory “U.S. persons”. Below is a summary of the behavior required of such “taxpayer” spouses:

1. The “U.S. person” Spouse must check “Single” on IRS Form W-4 if married to a nonresident alien. IRS Form W-4, Block 3 says that those who are married to nonresident aliens must check the “Single” box on the form, even though legally married.

*“Note: If married, but legally separated, or spouse is a nonresident alien, check the Single box.”*  
*[IRS Form W-4, Block 3]*

2. The “U.S. person”/resident spouse must declare themselves “Unmarried” on tax returns. IRS Publication 504, 2007, p. 6, says the following on this subject:

*“Nonresident alien spouse. If your spouse was a nonresident alien at any time during the tax year, and you have not chosen to treat your spouse as a resident alien, you are considered unmarried for head of household purposes. However, your spouse is not a qualifying person for head of household purposes. You must have another qualifying person and meet the other requirements to file as head of household.”*  
*[IRS Publication 504, 2007, p. 6]*

## **19.7 Further reading and research**

If you would like to investigate further how to properly reflect your status as a nonresident alien not engaged in the “trade or business” franchise and who is not an “individual” beyond that discussed in the preceding sections, we highly recommend the following additional resources:

1. *Income Tax Withholding and Reporting Course*, Form #12.004-short course that teaches the basics of tax withholding and reporting for neophytes  
<http://sedm.org/Forms/FormIndex.htm>
2. *Federal Tax Withholding*, Form #04.102-concise summary of the laws on tax withholding. Intended to be handed to payroll and accounting people to quickly bring them up to speed.  
<http://sedm.org/Forms/FormIndex.htm>
3. *SEDM Forms Page, Section 1.4: Tax Withholding and Reporting*. Many useful forms to control your withholding lawfully as a nonresident alien.  
<http://sedm.org/Forms/FormIndex.htm>
4. *Family Guardian Forums*. Help from other members handling withholding. You must agree to the license agreement to get an account and post questions. Please do not contact us about withholding, because we can’t give legal advice.  
<http://famguardian.org/forums/>



## 20 How To Correct Government Records to Reflect your True Status as a Nonresident Alien

We, as human beings, declare ourselves to be nonresident aliens not connected with a “trade or business” for the purposes of federal income taxes by:

1. Reading and carefully studying our article on “domicile”, so we know all the ins and outs of what makes a person a “resident”. You will need this information later when filling out government forms that ask you about your “permanent address” and “residence address”. If you haven’t read this article, you won’t understand what they are asking for. See:

*Why Domicile and Becoming a “Taxpayer” Require Your Consent*, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

2. Correcting government records to remove false presumptions about our citizenship status. This is done by:
  - 2.1. Filling out and resubmitting any form that indicated a citizenship status, such as the SS-5 Social Security application, Jury Summons, Voter registration, etc. On these forms we fill out and resubmit, we must.
    - 2.1.1. Remove indications of statutory “citizen of the [federal] United States” status under 8 U.S.C. §1401.
    - 2.1.2. If we checked “U.S. person” (as defined in 26 U.S.C. §7701(a)(30)), then we uncheck it.
    - 2.1.3. If we checked “U.S. resident” or simply “resident”, unchecking it.
    - 2.1.4. Indicate that we are “national” or a “state national” as defined in 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1101(a)(22)(B) and 8 U.S.C. §1452.
  - 2.2. Applying for a new passport using form DS-11 and indicating we are a “national” under 8 U.S.C. §1101(a)(21) but not a statutory “citizen” under 8 U.S.C. §1401. See:  
<http://famguardian.org/Subjects/Taxes/Citizenship/ApplyingForAPassport.htm>
  - 2.3. Filling out and submitting our form below according to the instructions at the beginning:

*Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States*, Form #10.001  
<http://sedm.org/Forms/FormIndex.htm>

3. Requesting certified copies of our passport records, including those developed in step 2.2 above, pursuant to the article below, for use as legal proof of our status to the appropriate financial institutions:  
<http://famguardian.org/TaxFreedom/Forms/Emancipation/DOS-CertDS11.htm>
4. Closing all financial accounts we have that have Social Security Numbers attached to them and reopening them with IRS Form W-8BEN’s and *without* Social Security Numbers. 26 CFR §301.6109-1 says that the use of a Social Security Number creates a prima facie presumption that we are a “U.S. person” with an effective domicile on federal territory called the “United States\*\*\*” who is “effectively connected with a trade or business”. For instructions on how to open financial accounts without SSNs and using the W-8, see:  
<http://sedm.org/ItemInfo/RespLtrs/W-8BEN/AboutIRSFormW-8BEN.htm>
5. Changing our employment withholding forms by replacing any W-4 forms with AMENDED IRS Form W-8 or W-8 BEN as follows:

- 5.1. Do NOT use the original IRS Form W-8BEN, because you are NOT a “Beneficial Owner”.
- 5.2. As an alternative, you can use the form below as an even better substitute, if the recipient will accept it:

*Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>

- 5.3. Use the instructions below to fill out the AMENDED IRS Form W-8BEN found at:  
<http://sedm.org/Forms/Tax/W-8BEN/AboutIRSFormW-8BEN.htm>

- 5.4. Provide the AMENDED W-8BEN form or our Form 02.001 above to:

- 5.4.1. Financial institutions when opening accounts.
- 5.4.2. Our private employer to stop illegal withholding of all donations (fraudulently disguised as “taxes”) from our pay. Guidance on how to do this is contained in the following free resource:

*Federal and State Tax Withholding Options for Private Employers*, Form #09.001  
<http://sedm.org/Forms/FormIndex.htm>

- 5.4.3. The IRS and state revenue agencies with every correspondence we send to them. It might also be helpful to attach the following form:

*Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>

6. Not deducting or withholding Subtitle A federal donations on any of our earnings, as permitted by the applicable regulations. See the following free book:

*Federal and State Withholding Options for Private Employers*

<http://famguardian.org/Publications/FedStateWHOptions/FedStateWHOptions.pdf>

7. Educating financial institutions and private employers, as necessary, about the laws on withholding and reporting so that they do not submit false reports connecting us to a “trade or business”. Remember: being engaged in a “trade or business” makes a “nonresident alien” into a “resident”, as we showed in section 15 earlier. Sue them under 26 U.S.C. §7434 for filing of false information returns if they refuse to obey the laws. See:

7.1. Income Tax Withholding and Reporting Course, Form #12.004

<http://sedm.org/Forms/FormIndex.htm>

7.2. Federal Tax Withholding, Form #04.102

<http://sedm.org/Forms/FormIndex.htm>

7.3. Tax Withholding and Reporting: What the Law Says, Form #04.103

<http://sedm.org/Forms/FormIndex.htm>

8. Regularly and repeatedly rebutting all false information returns, such as W-2, 1042-S, 1098, and 1099, that might have been filed on us at any point in the past, and which are filed at any point in future from that point on. See:

8.1. 26 U.S.C. §6041.

8.2. The “Trade or Business” Scam, Form #05.001:

<http://sedm.org/Forms/FormIndex.htm>

8.3. Correcting Erroneous IRS Form W-2’s, Form #04.006:

<http://sedm.org/Forms/FormIndex.htm>

8.4. Correcting Erroneous IRS Form 1042’s, Form #04.003:

<http://sedm.org/Forms/FormIndex.htm>

8.5. Correcting Erroneous IRS Form 1098’s, Form #04.004”:

<http://sedm.org/Forms/FormIndex.htm>

8.6. Correcting Erroneous IRS Form 1099’s, Form #04.005:

<http://sedm.org/Forms/FormIndex.htm>

9. If we file income tax returns, using the AMENDED 1040NR form instead of the 1040 form. IRS Document 7130 reveals that the IRS 1040 form is only for “resident aliens” as defined in 26 U.S.C. §7701(b)(1)(A), or statutory “citizens” when abroad under 26 U.S.C. §911, who are ALSO resident aliens coming under a tax treaty with a foreign country. “Nonresident aliens” as defined in 26 U.S.C. §7701(b)(1)(B) cannot use the IRS Form 1040 without making an “election” to become a “resident” pursuant to 26 U.S.C. §6013(g) and (h) or 26 U.S.C. §7701(b)(4)(B). On this form, we must:

9.1. Not take any deductions. Nonresident aliens cannot take deductions against earnings not connected with a “trade or business” pursuant to 26 U.S.C. §162 because only those connected with a “trade or business” can take deductions. A person with no “trade or business” income needs no deductions anyway.

9.2. Indicate zero for “trade or business” income because we don’t hold “public office” as defined in 26 U.S.C. §7701(a)(26).

9.3. Indicate zero for earnings not connected with a “trade or business” unless we receive payments from the U.S. government, such as Social Security. 26 U.S.C. §861(a)(8) and 26 U.S.C. §871(a)(3) say that Social Security payments must be included as earnings from within federal territory, which is what “United States” is defined as in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d).

9.4. Use the AMENDED 1040NR tax return indicated below, which removes false presumptions about your status:

Federal Nonresident Nonstatutory Claim for Return of Funds Unlawfully Paid to the Government-Long, Form #15.001

<http://sedm.org/Forms/FormIndex.htm>

10. Rebutting all Currency Transaction Reports (CTR’s), IRS Form 8300, that might be filed against us falsely and illegally by financial institutions when we withdraw 10,000 or more in cash from a financial institution. The statutes at 31 U.S.C. §5331 and the regulation at 31 CFR §103.30(d)(2) only require these reports to be filed in connection with a “trade or business”, and this “trade or business” is the same “trade or business” referenced in the Internal Revenue Code at 26 U.S.C. §7701(a)(26) and 26 U.S.C. §162. If you are not a “public officer” or if you do not consent to be treated as one in order to procure “social insurance”, then banks and financial institutions are violating the law to file these forms against you. See:

Demand for Verified Evidence of “Trade or Business” Activity: Currency Transaction Report (CTR), Form #03.003

<http://sedm.org/Forms/FormIndex.htm>

11. Rescinding our Social Security application, SSA form SS-5. This is an agreement that imposes the “duty” or “fiduciary duty” upon the human being and makes him into a “trustee” and an officer of a the federal corporation called the “United States”. The definition of “person” for the purposes of the criminal provisions of the Internal Revenue Code, codified in 26 U.S.C. §7343, incidentally is EXACTLY the same as the above. Therefore, all tax crimes require

that the violator must be acting in a fiduciary capacity as a Trustee of some kind or another, whether it be as an Executor over the estate of a deceased "taxpayer", or over the Social Security Trust maintained for the benefit of a living trustee/employee of the federal corporation called the "United States Government". To rescind your Social Security application/contract, see the following for details:

Resignation of Compelled Social Security Trustee, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>

Nonresident aliens pay on a graduated scale for income derived from a "trade or business" within the [federal] United States (U.S.\*\* public office) in accordance with [26 U.S.C. §871\(b\)](#). They pay a flat 30% on earnings from within federal territory of the U.S. government and nothing on earnings from within states of the Union under [26 U.S.C. §871\(a\)](#). When we declare ourselves as nonresident aliens, we should be very careful to correct or update government records reflecting our citizenship status as indicated in section 2.5.3.13 of:

Sovereignty Forms and Instructions Manual, Form #10.005  
<http://sedm.org/Forms/FormIndex.htm>

Below are a few quotes that help explain succinctly the basis for the nonresident alien position. These quotes appear, for instance, in the Revocation of Election letter found in Section 3.5.5 of the Sovereignty Forms and Instructions Manual:

*"The United States government is a foreign corporation with respect to a state."  
[N.Y. re: Merriam, 36 N.E. 505, 141 N.Y. 479, Affirmed 16 S.Ct. 1973, 41 L.Ed. 287]*

*"State: The term "State" shall be construed to include the **District of Columbia**, where such construction is necessary to carry out provisions of this title."  
[26 U.S.C. §7701]*

***"United States:** The term "United States" when used in a geographical sense includes [is limited to] only the States [the District of Columbia and other federal territories within the borders of the states] and the District of Columbia."  
[26 U.S.C. §7701]*

*"A canon of construction which teaches that of Congress, unless a contrary intent appears, is meant to apply **only within the territorial jurisdiction of the United States.**"  
[U.S. v. Spelar, 338 U.S. 217 at 222 (1949)]*

*"The term 'United States' may be used in any one of several senses. It may be merely the name of a sovereign occupying the position analogous to that of other sovereigns in the family of nations. It may designate the territory over which the sovereignty of the United States ex- [324 U.S. 652, 672] tends, or it may be the collective name of the states which are united by and under the Constitution."  
[Hooven & Allison Co. v. Evatt, 324 U.S. 652 (1945)]*

***Foreign States:** "Nations outside of the United States...Term may also refer to another state; i.e. a sister state. The term 'foreign nations', ...should be construed to mean all nations and states other than that in which the action is brought; and hence, one state of the Union is foreign to another, in that sense."  
[Black's Law Dictionary, 6<sup>th</sup> Edition, p. 648]*

***Foreign Laws:** "The laws of a foreign country or sister state."  
[Black's Law Dictionary, 6<sup>th</sup> Edition, p. 647]*

***Treasury Decision 3980, Vol. 29, January-December, 1927, pgs. 64 and 65** defines the words **includes** and **including** as: "(1) To comprise, comprehend, or embrace...(2) To enclose within; contain; confine...But granting that the word '**including**' is a term of enlargement, it is clear that it **only** performs that office by introducing the **specific elements** constituting the enlargement. It thus, and thus **only**, enlarges the otherwise more **limited, preceding general language**...The word '**including**' is obviously used in the sense of its **synonyms, comprising; comprehending; embracing.**"  
[Treasury Decision 3980, Vol. 29, January-December, 1927, pgs. 64 and 65]*

*"**Includes** is a word of **limitation**. Where a **general term** in Statute is followed by the word, '**including**' the primary import of the specific words following the quoted words is to indicate restriction rather than enlargement. **Powers ex re. Covon v. Charron R.I.**, 135 A. 2<sup>nd</sup> 829, 832  
[Definitions-Words and Phrases pages 156-156, Words and Phrases under '**limitations**'."]*

*"In the interpretation of **statutes levying taxes**, it is the established rule **not to extend** their provisions by*



implication beyond the clear import of the language used, or to enlarge their operations so as to embrace matters not specifically pointed out. In case of doubt they are construed most strongly against the government and in favor of the citizen.”  
[Gould v. Gould, 245 U.S. 151, at 153 (1917)]

“Almost a century ago, Congress declared that “the right of expatriation [including expatriation from federal territory or “U.S. Inc”, the corporation] is a natural and inherent right of all people, indispensable to the enjoyment of the rights of life, liberty, and the pursuit of happiness,” and decreed that “any declaration, instruction, opinion, order, or decision of any officers of this government which denies, restricts, impairs, or questions the right of expatriation, is hereby declared inconsistent with the fundamental principles of this government.” 15 Stat. 223-224 (1868), R.S. § 1999, 8 U.S.C. §800 (1940).<sup>16</sup> Although designed to apply especially to the rights of immigrants to shed their foreign nationalities, that Act of Congress “is also broad enough to cover, and does cover, the corresponding natural and inherent right of American citizens to expatriate themselves.” *Savorgnan v. United States*, 1950, 338 U.S. 491, 498 note 11, 70 S. Ct. 292, 296, 94 L. Ed. 287.<sup>17</sup> The Supreme Court has held that the Citizenship Act of 1907 and the Nationality Act of 1940 “are to be read in the light of the declaration of policy favoring freedom of expatriation which stands unrepealed.” *Id.*, 338 U.S. at pages 498-499, 70 S. Ct. at page 296. That same light, I think, illuminates 22 U.S.C.A. §211a and 8 U.S.C.A. §1185.”  
[Walter Briehl v. John Foster Dulles, 248 F2d 561, 583 (1957).]

The hardest part for most people is completing the AMENDED IRS Form [W-8](#) or [W-8BEN](#), which is the form you have to submit to a bank, employer, or financial institution declaring yourself to be a nonresident alien and thereby eliminating the need to withhold on your income. The problem they have is with the definition of the term “nonresident alien” on the W-8BEN form, which is:

“Any individual who is not a citizen or resident of the United States is a nonresident alien individual. An alien individual meeting either the “green card test” or the “substantial presence test” for the calendar year is a resident alien. Any person not meeting either test is a nonresident alien individual.

“Additionally, an alien individual who is a resident of a foreign country under the residence article of an income tax treaty, or an alien individual who is a resident of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa is a nonresident alien individual. See [Pub 519](#), U.S. Tax Guide for Aliens, for more information on resident and nonresident alien status.”  
[IRS Form W-8BEN]

IRS Publication 519, [Tax Guide for Aliens](#) says the following, which clarifies this:

“If you are an alien (not a [statutory] U.S. citizen [as defined in 8 U.S.C. §1401]), you are considered a nonresident alien unless you meet one of the two tests described next under Resident Aliens.”  
[IRS Publication 519]

If you want information on how to fill out the IRS Form W-8BEN, help is available at:

[About IRS Form W-8BEN](#), Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>

There is also a free pamphlet for private employers that helps them understand all the options below:

[Federal and State Tax Withholding Options for Private Employers](#), Form #04.101  
<http://sedm.org/Forms/FormIndex.htm>

What you need to remember is that if you follow the procedures appearing in section 2.5.3.13 of the [Sovereignty Forms and Instructions Manual](#), Form #10.005 (<http://sedm.org/ItemInfo/Ebooks/SovFormsInstr/SovFormsInstr.htm>) to update and correct government records about our citizenship and domicile, then you become an “national” and a “nonresident alien” for the purposes of the tax code. Once you become a “nonresident alien”, you regain your constitutional rights and simultaneously deprive the federal government of jurisdiction over you. That is why we say that this step is VERY IMPORTANT!

IRS Publication 519, after the above clarification of the definition of “alien”, then talks about the two tests, which include

<sup>16</sup> See Carrington, Political Questions: The Judicial Check on the Executive, 42 Va.L.Rev. 175 (1956).

<sup>17</sup> 9 Pet. 692, 34 U.S. 692, 699, 9 L. Ed. 276.

the “Green Card Test” and the “Substantial Presence Test”. People look at the Substantial Presence Test and erroneously conclude that they pass the test and thereby qualify as resident aliens. They point to [IRS Pub. 519](#), which states that the term “United States” includes the 50 Union states. This is true, but misleading. ***The term “United States” includes federal enclaves or areas within the 50 Union states but NOT nonfederal areas!*** Furthermore, one is a federal “U.S. citizen” under 8 U.S.C. §1401 if they were born or naturalized in the District of Columbia or a territory of the U.S. but NOT the nonfederal areas of the 50 Union states. The Fourteenth Amendment section 1 states the following:

*“Section 1. All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the state wherein they reside. No state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any state deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.”*

The U.S. Supreme Court has clearly defined the meaning of the phrase “and subject to the jurisdiction thereof” in *Elk v. Wilkins*, 112 U.S. 94 (1884):

*“The persons declared to be citizens are ALL PERSONS BORN OR NATURALIZED IN THE UNITED STATES AND SUBJECT TO THE JURISDICTION THEREOF. The evident meaning of these last words is, not merely subject in some respect or degree to the jurisdiction of the United States, but COMPLETELY SUBJECT [e.g., under Article 1, Section 8, Clause 17 of the Constitution] to their political jurisdiction, and owing them direct and immediate allegiance. And the words relate to the time of birth in the one case, as they do to the time of naturalization in the other. Persons not thus subject to the jurisdiction of the United States at the time of birth cannot become so afterwards, except by being naturalized, either individually, as by proceedings under the naturalization acts; or collectively, as by the force of a treaty by which foreign territory is acquired. Indians born within the territorial limits of the United States, members of, and owing immediate allegiance to, one of the Indian tribes, (an alien though dependent power,) although in a geographical sense born in the United States, are no more ‘born in the United States and subject to the jurisdiction thereof,’ within the meaning of the first section of the fourteenth amendment, than the children of subjects of any foreign government born within the domain of that government, or the children born within the United States, of ambassadors or other public ministers of foreign nations.”*  
[*Elk v. Wilkins*, 112 U.S. 94 (1884)]

The important phrase in the above Supreme Court ruling is “political jurisdiction”, which is NOT the same as “legislative jurisdiction”. “their political jurisdiction” in the above simply means the exercise of political rights, which include voting and jury service within states of the Union and nothing more. It doesn’t mean that they are “completely subject” to the legislative jurisdiction of any act of Congress or to federal statutes under Article 1, Section 8, Clause 17 of the Constitution. You must be a “citizen” or “resident” under an “act of Congress” or federal statute in order to be subject to the general or exclusive legislative jurisdiction of Congress. Now the above considerations do not preclude “nationals” from electing to be federal “U.S.\*\* citizens” under [8 U.S.C. §1401](#), which the federal government loves to do because that is how they manufacture “taxpayers” out of formerly sovereign Americans! Technically, and by law, however, a person born in a state of the Union isn’t a federal “U.S.\*\* citizen” under [8 U.S.C. §1401](#). Human beings born in states of the Union, however, are “citizens of the United States” under the 14<sup>th</sup> Amendment because the term “United States” in the Constitution means the collective states of the Union. Quite clearly, most people have never been statutory “U.S.\*\* citizens” under [8 U.S.C. §1401](#), but instead are “nationals” and “state nationals” under the following statutes:

- [8 U.S.C. §1101\(a\)\(21\)](#) or 8 U.S.C. §1101(a)(22)(B)
- [8 U.S.C. §1452](#)

Because of these considerations, it’s clear that there is IRS deception going on with IRS Form W-8BEN. “United States”, in the context of human beings, **cannot** include nonfederal areas of the 50 Union states because of Constitutional prohibitions against direct taxes found in Article 1, Section 9, Clause 4 and Article 1, Section 2, Clause 3 of the U.S. Constitution. Remember!:

You should NOT and CANNOT rely on fraudulent IRS publications, including the [W-8](#) for [W-8BEN](#), to sustain a position or a good-faith belief, or even a fact, and therefore you should not assume that "United States" includes non-federal areas within the 50 Union states. This is covered extensively in section 3.19 of the [Great IRS Hoax, Form #11.302](#). Because you can't rely on IRS Publications or forms to sustain a position, then you have no choice but to rely on the law, which includes the Internal Revenue Code and the Treasury Regulations found in 26 C.F.R. The law is so ambiguous that it is "Void for Vagueness" (as section 5.9 of the [Great IRS Hoax, Form #11.302](#) concludes) and there is no way for you to determine your liability or even if you are truthfully answering the questions on forms that don't even define the terms they are using. And even if they defined the terms, you couldn't trust them! This is described in our pamphlet:

[Reasonable Belief About Income Tax Liability](#), Form #05.007

<http://sedm.org/Forms/FormIndex.htm>

## **21 Overcoming deliberate roadblocks to using the Nonresident Alien Position**

### **21.1 The deception that scares people away from claiming nonresident alien status**

How does the government trick us into losing our true nonresident alien status? Because the U.S. government knows that all Americans born in the 50 Union states living on nonfederal land are nonresident aliens with respect to the Internal Revenue Code over which they have no jurisdiction to assess Subtitles A, B, and C income taxes, they have devised an ingenious scheme to scare all these sheep, I mean people, into their jurisdiction so they can be abused if they don't pay income taxes they otherwise wouldn't owe. Here's their trick:

1. They define a flat 30 percent for income from "within the United States" (the federal zone). See [26 U.S.C. Section 871\(a\)](#) for the place where this 30 percent tax is defined.
2. They fool everyone into thinking that they are living in the "United States" by never defining the term on their website or in any of their publications, and denying the proper definition when people question them about it.
3. They define a lower, graduated tax rate for people who file an IRS Form 1040 which is less for most human beings than the flat 30% you would pay if you continued claiming your true status as a nonresident alien and filing the form 1040NR. See [26 U.S.C. Section 1\(b\)](#) for the definition of this graduated tax rate.
4. They then fill the post office with 1040 forms and don't provide the more correct 1040NR forms and booklets, which is the correct form for most Americans.
5. They then go around, hand in hand with the American Bar Association, to all the public schools, waving their fists with a lawyer by their side and telling innocent teenagers who are just starting in the workforce that they MUST pay taxes and that they HAVE to file a form 1040 like everyone else. See section 1.11.3 for a description of how they do this, right off the IRS website. They don't tell these innocent kids what filing this form means, which is that once they file this form and get a Socialist Security Number, they are transformed into SLAVES of their own government because they are making an election to treat their income as "effectively connected with a trade or business in the United States", which is a code word for saying that they are a U.S. Congressman domiciled in the District of Columbia! Once the kids achieve that substandard status, there is no way to deny that the federal courts have jurisdiction over these formerly private citizens, and they are trapped until they revoke their election. Cleverly, the IRS and no one in the government tells them in the 1040 booklet or in anything else they would be likely to read how to revoke that election. Does this sound like the pied piper? Sure does to us!
6. Because people want to save money and pay the lowest tax rate, they file the wrong tax form (the 1040 form instead of the 1040NR) and thereby volunteer into the jurisdiction of the federal government by filing their first 1040 form. The top of the form says they are a "U.S. Individual", which implies that they are a resident of "United States\*\*" federal territory. This means their goose is cooked because now they come under the territorial jurisdiction of the federal courts. Once you sign that 1040 form under penalty of perjury, you become a witness against yourself in violation of your Fifth Amendment rights. You also become a substandard statutory "U.S. citizen" and ward of the federal government, which is a status reserved for SLAVES following the civil war, but not something anyone else wants to be or needs to be. To make things worse, in the process of writing off your children as tax deductions for a tax you don't owe, you also in effect have to sell your children into slavery too by giving them Social Security Numbers and claiming they are U.S. citizens! Look at the 1040, and you will find that you can't write off your children unless they have SSN's and you claim them as "U.S. citizens" under 8 U.S.C. §1401.
7. Since the Fifth Amendment allows us to not be compelled to incriminate ourselves by filling out things we don't want to put on a tax return, the IRS sets the withholding rate so that most people will get refunds at the end of the year. This provides an incentive for people to file returns and complete them when they otherwise would not. In effect, they have made it into a "privilege" to get our money back which requires us to surrender our privacy and waive our Fifth



Amendment rights to get the money owed to us in the refund.

8. After these people are transformed into federal serfs by becoming unwitting “U.S. citizens” (in what we refer to as a conspiracy against rights), if they get out of line, IRS computers harass and intimidate them, treating them in most cases as businesses (look in your IMF file to verify this for yourself) and making up bogus liabilities to fill their IMF file. The IRS also keeps them in line by threatening penalties that only corporations and partnerships, technically, are liable to pay, but they don’t tell you that (see [26 CFR §301.6671-1\(b\)](#) if you don’t believe us) at:

<http://squid.law.cornell.edu/cgi-bin/get-cfr.cgi?TITLE=26&PART=301&SECTION=6671-1&TYPE=TEXT>

Doesn’t this make you mad? It’s a fraud and it’s **downright EVIL!** It’s all done because the government loves your money more than they respect your constitutional rights. It amounts to a “conspiracy against rights”, which is a crime under [18 U.S.C. §241](#). We believe it is this very scheme that explains why Congress has put the IRS at arm’s length by not having any federal statute or documented legal delegated authority that traces the activities of the IRS directly back to them. We assert that they do this to evade liability or being prosecuted if the lid ever blows on this organized crime and extortion (RICO) ring. You will learn later in section 7.1.4 that the IRS is actually headquartered out of Puerto Rico. Now do you understand why they call it RICO: The IRS were the first ones to implement this and they became the model for the laws against such extortion.

## 21.2 Tricks Congress Pulled to Undermine the Nonresident Alien Position

The Nonresident Alien position can be a losing position in federal court if you don’t know what you are doing. Congress knows that the nonresident alien position is a good and legal way to avoid Subtitle A income taxes, so they put two statutory roadblocks in front of patriots who try to use it. We’ll now discuss each of these two roadblocks individually.

26 U.S.C. §871(a) imposes a tax of 30% on income from within the federal United States that is not connected with United States business, which means connected with a “trade or business” in the United States. Most people don’t look any further than that in reading this law. But the more astute readers will look up the definition of “trade or business” in 26 U.S.C. §7701(a)(26) and find out that it means “public office”, which means the tax only applies to Congressmen! Throughout section 871, it is emphasized that the 30% tax is imposed on identified activities associated with “sources within the United States” (see 26 U.S.C. §871(a)(1) and (a)(2), which use the term “sources within the United States”, for example). The place we must go in the code to find out about “sources within the United States” is 26 U.S.C. §861. We look there and find the following about income of nonresident aliens from “sources within the United States”:

[TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART I > Sec. 861.](#)  
[Sec. 861. - Income from sources within the United States](#)

*(a) Gross income from sources within United States*

*The following items of gross income shall be treated as income from sources within the United States:*

*[...]*

*(3) Personal services*

*Compensation for labor or personal services performed in the United States; **except that compensation for labor or services performed in the United States shall not be deemed to be income from sources within the United States if -***

*(A) the labor or services are performed by a nonresident alien individual temporarily present in the United States for a period or periods not exceeding a total of 90 days during the taxable year,*

*(B) such compensation does not exceed \$3,000 in the aggregate, and*

***(C) the compensation is for labor or services performed as an employee of or under a contract with -***

***(i) a nonresident alien, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, or***

***(ii) an individual who is a citizen or resident of the United States, a domestic partnership, or a domestic***

corporation, if such labor or services are performed for an office or place of business maintained in a foreign country or in a possession of the United States by such individual, partnership, or corporation.

In addition, compensation for labor or services performed in the United States shall not be deemed to be income from sources within the United States if the labor or services are performed by a nonresident alien individual in connection with the individual's temporary presence in the United States as a regular member of the crew of a foreign vessel engaged in transportation between the United States and a foreign country or a possession of the United States.

So if you are a nonresident alien American national working in the federal United States for another nonresident alien, then you don't earn "gross income" from "sources within the United States", which means you can't earn "taxable income". You see how Congress twists things in the code to deceive or mislead so as to maximize their revenues? On the one hand they say in section 871 that nonresident aliens owe 30% tax if they are not associated with a "trade or business in the United States" but on the other hand, they say in section 861 that this same person *doesn't owe the tax* if they are working for another nonresident alien or are not engaged in a "trade or business in the United States". Most of the tricks are hidden in section 861. This is yet one more trick played by that section, and they use this trick hoping you won't know the proper source rules for allocating income and will just assume that "everything" you make is "gross income" and "taxable income". Most of your earnings as a "national of the United States\*" and a "nonresident alien", however, *won't* in fact be "gross income" if you really analyze things using the law.

The second roadblock that Congress put in the way of nonresident aliens guarantees that those who don't know what they are doing will lose in federal court. That roadblock is [28 U.S.C. §2201](#) as follows, and it prevents federal courts from deciding on state and federal citizenship, rights, or status related to these in regards to taxes when cases are heard in federal courts!:

United States Code  
TITLE 28 - JUDICIARY AND JUDICIAL PROCEDURE  
PART VI - PARTICULAR PROCEEDINGS  
CHAPTER 151 - DECLARATORY JUDGMENTS  
Sec. 2201. Creation of remedy

(a) In a case of actual controversy within its jurisdiction, except with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986, a proceeding under section 505 or 1146 of title 11, or in any civil action involving an antidumping or countervailing duty proceeding regarding a class or kind of merchandise of a free trade area country (as defined in section 516A(f)(10) of the Tariff Act of 1930), as determined by the administering authority, any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought. Any such declaration shall have the force and effect of a final judgment or decree and shall be reviewable as such.

(b) For limitations on actions brought with respect to drug patents see section 505 or 512 of the Federal Food, Drug, and Cosmetic Act.

So in other words, courts are prohibited from declaring your status or rights in the context of federal "taxes". Below is an example of one court's response to a request by a person to be declared a "nontaxpayer". His request was dismissed for lack of jurisdiction!

Specifically, Rowen seeks a declaratory judgment against the United States of America with respect to "whether or not the plaintiff is a taxpayer pursuant to, and/or under 26 U.S.C. § 7701(a)(14)." (See Compl. at 2.) This Court lacks jurisdiction to issue a declaratory judgment "with respect to Federal taxes other than actions brought under section 7428 of the Internal Revenue Code of 1986," a code section that is not at issue in the instant action. See 28 U.S.C. § 2201; see also Hughes v. United States, 953 F.2d 531, 536-537 (9th Cir. 1991) (affirming dismissal of claim for declaratory relief under § 2201 where claim concerned question of tax liability). Accordingly, defendant's motion to dismiss is hereby GRANTED, and the instant action is hereby DISMISSED.  
[\[Rowen v. U.S., 05-3766MMC. \(N.D.Cal. 11/02/2005\)\]](#)

This means that if you claim to be a "nonresident alien" for the purposes of the income tax, you are not subject to the income tax laws and the judge can't argue with you and they have to accept what is on your (hopefully "1040NR" and not "1040" !) tax return, even if the IRS challenges that status! It also means that claims based on constitutional rights cannot be claimed in federal court if they are done in the context of "taxes" only! We know from reading the case of *Downes v. Bidwell*, 182 U.S. 244 (1901) that there is only one place where Congress can by legislation suspend the enforcement of the Bill of Rights or the Constitution, and that is only within the federal zone against persons domiciled there. This provides a

1 clue to us where the Internal Revenue Code applies, and it isn't inside states of the Union if the land isn't owned by the  
2 federal government!

3 So how do we get a court to rule on our status as a "nonresident alien" in such a way that the federal court has to accept this  
4 status? Well:

- 5 1. We know that the above act can really only apply to franchisees called "taxpayers" and that to apply it against a person  
6 who is NOT a franchisee called a "taxpayer" would be a tort by the judge. Therefore, WE declare that we are a  
7 "nontaxpayer" and then asked the judge to remain silent or dismiss the case if he agrees with us or offer proof on the  
8 record if he thinks we are NOT. This is the approach that we take with the following form on our website:

Federal Pleading/Motion/Petition Attachment, Litigation Tool #01.002  
<http://sedm.org/Litigation/LitIndex.htm>

- 9 2. We know that the above act can only apply to persons domiciled on federal territory and if you are not domiciled on  
10 federal territory as a nonresident alien, then it doesn't apply to you. Federal law does not apply inside a state of the  
11 Union to anything other than federal property. Therefore, when we ask, we emphasize that we are nonresidents to  
12 which the act does not apply and that we are protected by the Foreign Sovereign Immunities Act. If he dismisses our  
13 case, he will have then have to find some other ground to dismiss.  
14 3. It is best done preferably in a state court or in a federal court but not in the context of taxes. For instance, if we petition  
15 the court for a declaratory judgment regarding our citizenship status and don't mention taxes in the pleading and do it  
16 before and separate from the tax trial, then the judge hearing your tax trial has to accept the findings. Don't be  
17 discouraged, however. There is a way around this statutory trap. Below is the way around the roadblock:

18 While income tax arguments are barred under this rule - actions proving lack of citizenship, domicile, and residence are  
19 specifically allowed. The issue is not income tax but jurisdiction over the person. Lack of jurisdiction is proved by  
20 F.R.Civ.P. [Rule 44](#) and [Rule 44.1](#) - You go to the proper jurisdiction to resolve the matter by taking the following steps:

- 21 1. Acquire domicile and residence in a common law jurisdiction.  
22 2. File notice in the clerks office in state and federal courts.  
23 3. Argue this in Federal court using as evidence the filings filed at common law, state court and federal courts.  
24 4. Appeal at common law under Federal Rule of Civil Procedure 60 last line "by independent action".

25 You are then not arguing jurisdiction in front of that court - you are using evidence to prove that jurisdiction already exists  
26 in another court. Read [28 U.S.C. §2201](#) and it states that it must be argued in the proper manner - and that is by not letting  
27 the U.S. court decide that issue - go to common law and plead condition precedent under F.R.C.P. rule 8.(The citizenship  
28 was already decided before the action began).

29 This argument is in agreement with all of the cites herein and the argument that dual citizenship can exist. State law tells  
30 you the procedure for noticing the state courts that you have acquired a new residence and domicile.

### 31 **21.3 How to Avoid Jeopardizing Your Nonresident Citizen or Nonresident Alien Status**

32 If you are going to claim "nonresident alien" status, then you must do the following to ensure that you NEVER jeopardize  
33 that status, or you could incur unwanted additional income tax liability:

- 34 1. If you live in the United States\*\* (the "federal zone"), you should always vote by absentee ballot in all national  
35 elections. [IRS Publication 54](#) for the year 2000 states on page 13 that:

36 *"Effect of voting by absentee ballot.*

37 *If you are a U.S. citizen living abroad, you can vote by absentee ballot in any election held in the United States*  
38 *without risking your status as a bona fide resident of a foreign country. However, if you give information to the*  
39 *local election officials about the nature and length of your stay abroad that does not match the information you*  
40 *give for the bona fide residence test, the information given in connection with absentee voting will be*  
41 *considered in determining your status, but will not necessarily be conclusive."*

- 42 2. When or if you register to vote, you must be VERY careful not to sacrifice or confuse your citizenship status. Some  
43 states make it mandatory on the voter registration form that you claim to be a "U.S. citizen". They want to pull you  
44 into the federal zone so they can tax you and if they litigate against you for income tax evasion, they will use your



voter registration form as proof that you are a “U.S. citizen” under 8 U.S.C. §1401 born in the federal zone. California does this (see the Revenue and Taxation Code section 6017 for a definition of the term “This State” and “State of” for further details). Therefore, when you register to vote and must claim to be a “U.S. citizen” to get the “privilege” to vote (this is a scandal, if you ask me!), clarify which of the three “United States” you are claiming to be a citizen of as follows:

- 2.1. Change the term “United States” to add the word “of America” throughout the voter registration form.
- 2.2. Mention in an area on the form the supreme Court case of *Hooven & Allison Co. v. Evatt*, 324 U.S. 652 (1945), and the three definitions of “United States”.
- 2.3. Mention that of the three definitions, when you say you are a “U.S. citizen”, it means that you are a citizen of “United States the country” or the “50 several states” and not the federal zone area of the United States.
- 2.4. If they won’t accept your changes above, then withdraw your voter registration. You should do all three of the above immediately after or preferably before you file your [W-8 form](#) to become a nonresident alien so that you have legal certified proof that you put the state on notice that you were NOT a federal U.S.\*\* citizen under 8 U.S.C. §1401.
- 2.5. If you have to defend yourself in court because you claimed to be a “U.S. citizen” on your voter registration and there is confusion or misinterpretation over the use of the term “United States”, explain which of the three definitions you meant (i.e. U.S.\* or U.S.\*\*\* but NOT U.S.\*\* citizen) and quote the case of *Spreckels Sugar Refining Co. v. McClain*, 192 U.S. 397 (1904) as proof that the dispute should be resolved in your favor:

*“Keeping in mind the well-settled rule that the citizen is exempt from taxation unless the same is imposed by clear and unequivocal language, and that where the construction of a tax law is doubtful, the doubt is to be resolved in favor of those upon whom the tax is sought to be laid.”*  
[*Spreckels Sugar Refining Co. v. McClain*, 192 U.S. 397 (1904)]

3. While you are living abroad, or outside the federal United States\*\* (the “federal zone”), you must be consistent in stating to the foreign country, or state of the 50 states of the Union that you are domiciled in that foreign state but are not a “resident” under the Internal Revenue Code. Remember from section 4.10 earlier that the only people who are “residents” are “aliens” under the Internal Revenue Code! If you claim not to be domiciled in that “foreign state” and if the authorities of that non federal zone entity exclude you from their income taxes, then you will lose your tax-exempt status. IRS Publication 54 says the following in that regard on page 13 of the year 2000 version:

*“Statement to foreign authorities.*

*You are not considered a bona fide resident of a foreign country if you make a statement to the authorities of that country that you are not a resident of that country and the authorities hold that you are not subject to their income tax laws as a resident.*

*If you have made such a statement and the authorities have not made a final decision on your status, you are not considered to be a bona fide resident of that foreign country .To keep your status as a bona fide resident of a foreign country, you must have a clear intention of returning from such trips, without unreasonable delay, to your foreign residence or to a new bona fide residence in another foreign country.”*

For further information on the subjects covered in this pamphlet, see the following free training course:

[Developing Evidence of Citizenship and Sovereignty](http://sedm.org/Forms/FormIndex.htm), Form #12.002  
<http://sedm.org/Forms/FormIndex.htm>

## **21.4 “Will I Lose My Military Security Clearance or Passport or Social Security Benefits by Becoming a Nonresident Alien or a ‘national’?”**

The answer to this question is emphatically no to all three. The term “nonresident alien” on the [IRS Form W-8BEN](#) (called a “Certificate of Foreign Status”) is a “word of art” that only has meaning within the context of the Internal Revenue Code and nowhere else. You can still get a U.S.A. passport, maintain your military security clearance, serve in the military, and collect social security benefits based on what you paid in because you were born in the United States *of America* and are a Natural Born Sovereign Citizen and a “national” under federal law. Your birth certificate proves that. The only thing that filing a W-8 or W-8BEN and amended SS-5 form and becoming a “nonresident alien” do in the eyes of the IRS is notify the IRS that you don’t live in the federal zone, aren’t a statutory federal or U.S.\*\* citizen” under 8 U.S.C. §1401, and aren’t liable for federal income taxes under [26 U.S.C. §1](#) (and the implementing regulations in 26 CFR § 1.1-1).

To further investigate this matter, we looked at the U.S. Navy's directives on this subject. SECNAVINST 5510.30A (Secretary of the Navy Instruction 5510.30A) entitled Department of the Navy Personnel Security Program, talks about the citizenship requirements for getting a U.S. government security clearance. Here is what it says on page I-1 of Appendix I:

**1. Only United States citizens are eligible for a security clearance, assignment to sensitive duties or access to classified information.** When compelling reasons exist, in furtherance of the DON mission, including special expertise, a non-U.S. citizen may be assigned to sensitive duties (see chapter 5) or granted a Limited Access Authorization (see chapter 9) under special procedures.

**When this instruction refers to U.S. citizens, it makes no distinction between those who are U.S. citizens by birth, those who are U.S. nationals,** those who have derived U.S. citizenship or those who acquired it through naturalization. For the purpose of issuance of a security clearance, citizens of the Federated States of Micronesia (FSM) and the Republic of the Marshall Islands are considered U.S. citizens.  
[emphasis added]

You can view the above instruction yourself at the following web address:

<http://neds.nebt.daps.mil/551030.htm>

We also searched the Social Security Administration (SSA) website (<http://www.ssa.gov>) for information about whether a distinction is made between the treatment of "U.S. nationals" and "U.S. citizens". The Program Operation Manual System (POMS) maintained by the SSA contains the following on this subject, in section GN 00303.001 entitled "Requirement of U.S. Citizenship or Appropriate Alien Status":

*GN 00303.001 Requirement of U.S. Citizenship or Appropriate Alien Status*

**A. Policy Principle**

*An individual must be a U.S. citizen or have the appropriate alien status to be eligible for the following benefits:*

- Benefits at age 72 for uninsured individuals;
- Supplemental Security Income; and
- Health Insurance or Supplemental Medical Insurance for uninsured individuals.

...

**C. Operating Policy - Citizenship**

**"U.S. Nationals are treated as U.S. citizens for SSA purposes"**  
(see <http://policy.ssa.gov/poms.nsf/lnx/0200303001>)

The IRS Form W-7, "Application for IRS Individual Taxpayer Identification Number" confirms the above conclusions. If you examine this form at:

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormW7.pdf>

you will see that the top of the form says:

*"For use by individuals who are not U.S. citizens or nationals".*

The only way you can therefore get a Taxpayer Identification Number (TIN) to replace a Social Security Number is if you don't otherwise qualify for Social Security as a "U.S. citizen" or "national". This form, however, could be used for artificial entities, like businesses or corporations. For instance, if your children didn't want SSN's, then when they reach age 18, they could apply for a fictitious business name with the name of the business being their real name but in all caps, and then apply for a TIN for the business and use that instead of a real SSN. They could then discontinue the business after they get what they want by giving the number, or they could terminate the business and the number, and renew the next year with a different number. This is a sneaky way to avoid getting permanently branded or "dog-tagged" by our dishonest and covetous government.

The SSA website also defines "U.S. nationals" incorrectly in section RS 02001.010 as follows:

**Nonresident Alien Position**

Copyright Sovereignty Education and Defense Ministry, <http://sedm.org>  
Form 05.020, Rev. 9-20-2009

1 "RS 02001.010 United States Nationals

2 ...

3 **B. DEFINITION**

4 A U.S. **national** is a U.S. citizen or a person who, although not a U.S. citizen, owes permanent allegiance to the  
5 United States. **The only persons who are U.S. nationals but not U.S.**  
6 **citizens are American Samoans and natives of Swain's Island.**  
7 "  
8 [Social Security Administration, Program Operations Manual System (POMS), Section RS 02001.010,  
9 emphasis added]

10 Before you get carried away with the above contradiction, consider the following facts:

- 11 1. The Great IRS Hoax, Form #11.302 shows in section 4.11.6 earlier that there are actually two types of "nationals":  
12 "nationals but not citizens of the United States at birth" under 8 U.S.C. §1408, and another called a "state  
13 national"/"national" defined under 8 U.S.C. §1101(a)(21). Only one of these two types of "nationals of the United  
14 States" are subject to federal jurisdiction. The other one, the person born in a state of the Union, is not subject to  
15 federal jurisdiction but is formally recognized in 8 U.S.C. §1101(a)(21). The "national" or "state national" can't  
16 be subject to federal law, because the Constitution doesn't confer to the federal government the authority to  
17 determine the citizenship status of persons born in states of the Union, which are outside its jurisdiction and  
18 "foreign" with respect to federal jurisdiction.
- 19 2. The IRS code supersedes the SSA manual as it pertains to the collection of taxes, as confirmed in POMS section  
20 entitled "RS 01801.020 Responsibilities of IRS and SSA" located at:  
21 [http://policy.ssa.gov/poms.nsf/36f3b2ee954f0075852568c100630558/e7fe4ff1331e2ccb85256a5c004e6120?Op](http://policy.ssa.gov/poms.nsf/36f3b2ee954f0075852568c100630558/e7fe4ff1331e2ccb85256a5c004e6120?OpenDocument)  
22 [enDocument](http://policy.ssa.gov/poms.nsf/36f3b2ee954f0075852568c100630558/e7fe4ff1331e2ccb85256a5c004e6120?OpenDocument)
- 23 3. The Social Security Administration's POMS manual above is NOT LAW, but only guidance which cannot be  
24 enforced in court. The SSA can lie through their teeth on this manual and never be held accountable for that lie,  
25 because the manual is only directory in nature. The same is true of the IRS regarding their publications, including  
26 their Internal Revenue Manual. Here is the way one court put it:

27 "Rules contained in the Internal Revenue Manual, even if they were codified in Code of Federal Regulations,  
28 did not have the force and effect of law, and therefore, district court, in Government's action to collect  
29 assessment, correctly precluded defendant from introducing evidence concerned these provisions."  
30 [United States v. Horne, 714 F.2d 206 (1983)]

- 31 4. The only thing you can or should rely on is the actual law itself (the statutes and their implementing regulations)  
32 and the rulings of the Supreme Court.

33 It is very important to update your "U.S. citizenship" status as outlined in section 2.5.3.13 of the Sovereignty Forms and  
34 Instructions Manual, Form #10.005 (<http://sedm.org/ItemInfo/Ebooks/SovFormsInstr/SovFormsInstr.htm>) before you begin  
35 your administrative battle with the government, because this will significantly bolster your legal position and provide  
36 important and irrefutable evidence of your position by establishing evidence to prove their lack of jurisdiction over you.  
37 We also advise getting a notarized copy of your birth certificate from the county recorder or area where you were born. If  
38 the IRS wants to challenge you on your nonresident alien or citizenship status, you will need proof of that status. Examine  
39 your birth certificate, security clearance, etc carefully to ensure that they don't say you were born in the federal zone. If  
40 you were born in a military hospital, a federal base, or a federal territory or possession, or in the District of Columbia  
41 (because, for instance, you were in a military family), and your birth certificate says so, you may need to abandon ties to the  
42 federal zone by renounce statutory 8 U.S.C. §1401 citizenship to become a "national" under 8 U.S.C. §1101(a)(21). We  
43 emphasize here as was also done in section 4.11.10 the Great IRS Hoax, Form #11.302: You DON'T need to expatriate  
44 your constitutional citizenship or "nationality" in order to become a "nonresident alien". You already are one. Please don't  
45 expatriate your nationality in order to achieve "nonresident alien" status because the government will slander you and make  
46 you look like a traitor against your country in front of a jury! For further information on expatriation, we refer you to the  
47 following:

48 <http://famguardian.org/subjects/legalgovref/citizenship/usa.htm>



2 **22 How people are compelled to become “residents” or prevented from receiving**  
3 **all of the benefits of being a “nonresident”<sup>18</sup>**

4 Based on the foregoing discussion, it ought to be obvious that the government doesn't want you to know any of the  
5 following facts:

- 6 1. That all income taxation is based primarily upon domicile.
- 7 2. That domicile is a voluntary choice.
- 8 3. That because they need your consent to choose a domicile, they can't tax you without your consent.
- 9 4. That domicile is based on the coincidence of physical presence and intent to permanently remain in a place.
- 10 5. That unless you choose a domicile within the jurisdiction of the government that has general jurisdiction where you
- 11 live, they have no authority to institute income taxation upon you.
- 12 6. That no one can determine your domicile except you.
- 13 7. That if you don't want the protection of government, you can fire them and handle your own protection, by changing
- 14 your domicile to a different place or choosing no domicile at all. This then relieves you of an obligation to pay income
- 15 taxes to support the protection that you no longer want or need.

16 Therefore, governments have a vested interest in hiding the relationship of “domicile” to income taxation by removing it or  
17 at least obfuscating it in their “codes”. A number of irreconcilable conflicts of law are created by COMPELLING  
18 EVERYONE to have either a specific domicile or an earthly domicile. For instance:

- 19 1. If the First Amendment gives us a right to freely associate and also implies a right to DISASSOCIATE, how can we be
- 20 compelled to associate with a “state” or the people in the locality where we live without violating the First
- 21 Amendment? It may not be presumed that we moved to a place because we wanted to associate with the people there.
- 22 2. Domicile creates a duty of allegiance, according to the cite above. All allegiance MUST be voluntary. How can the
- 23 state compel allegiance by compelling a person to have or to choose an earthly domicile? What gives them the right to
- 24 insist that the only legitimate type of domicile is associated with a government? Why can't it be a church, a religious
- 25 group, or simply an association of people who want to have their own police force or protection service separated from
- 26 the state? Since the only product that government delivers is “protection”, why can't people have the right to fire the
- 27 government and provide their own protection with the tax money they would have paid the government?
- 28 3. When one chooses a domicile, they create a legal or contractual obligation to support a specific government, based on
- 29 the above. By compelling everyone to choose an earthly domicile whose object is a specific government or state, isn't
- 30 the state interfering with our right to contract by compelling us to contract with a specific government for our
- 31 protection? The Constitution, Article 1, Section 10 says no state shall make any law impairing the obligation of
- 32 contracts. Implicit in this right to contract is the right NOT to contract. Every right implies the opposite right.
- 33 Therefore, how can everyone be compelled to have a domicile without violating their right to contract?
- 34 4. The U.S. Supreme Court also said that income taxation based on domicile is “quasi-contractual” in nature.

35 *“Even if the judgment is deemed to be colored by the nature of the obligation whose validity it establishes, and*  
36 *we are free to re-examine it, and, if we find it to be based on an obligation penal in character, to refuse to*  
37 *enforce it outside the state where rendered, see Wisconsin v. Pelican Insurance Co., 127 U.S. 265, 292, et seq.*

38 *8 S.Ct. 1370, compare Fauntleroy v. Lum, 210 U.S. 230, 28 S.Ct. 641, **still the obligation to***  
39 ***pay taxes is not penal. It is a statutory liability, quasi***  
40 ***contractual in nature, enforceable, if there is no exclusive***  
41 ***statutory remedy, in the civil courts by the common-law action***  
42 ***of debt or indebitatus assumpsit.** *United States v. Chamberlin, 219 U.S. 250, 31 S.Ct.*  
43 *155; Price v. United States, 269 U.S. 492, 46 S.Ct. 180; Dollar Savings Bank v. United States, 19 Wall. 227;*  
44 *and see Stockwell v. United States, 13 Wall. 531, 542; Meredith v. United States, 13 Pet. 486, 493. This was*  
45 *the rule established in the English courts before the Declaration of Independence. Attorney General v. Weeks,*  
46 *Bunbury's Exch. Rep. 223; Attorney General v. Jewers and Batty, Bunbury's Exch. Rep. 225; Attorney General*  
47 *v. Hatton, Bunbury's Exch. Rep. [296 U.S. 268, 272] 262; Attorney General v. —, 2 Ans.Rep. 558; see**

<sup>18</sup> Adapted from *Why Domicile and Becoming a “Taxpayer” Require Your Consent*, Form #05.002; <http://sedm.org/Forms/FormIndex.htm>.

Comyn's Digest (Title 'Dett,' A, 9); 1 Chitty on Pleading, 123; cf. Attorney General v. Sewell, 4 M.&W. 77. "  
[Milwaukee v. White, 296 U.S. 268 (1935)]

The "quasi-contract" they are referring to above is your voluntary choice of "domicile", no doubt. How can they compel such a contract if the person who is the object of the compulsion refuses to "do business" with the state and also refuses to avail themselves of any of the benefits of membership in said state? Wouldn't that amount to slavery, involuntary servitude, and violate the Thirteenth Amendment prohibition against involuntary servitude?

Do you see how subtle this domicile thing is? It's a very sneaky way to draw you into the world system and force you to adopt and comply with earthly laws and a government that are hostile towards and foreign to God's laws. All of the above deceptions and ruses are designed to keep you enslaved and entrapped to support a government that does nothing for you and which you may even want to abandon or disassociate with.

## **22.1 Why it is UNLAWFUL for a non-citizen national to become a "resident alien"**

Americans domiciled in states of the Union:

1. Are non-citizen nationals under 8 U.S.C. §1101(a)(21) and 8 U.S.C. 1452.
2. File 1040 usually.
3. Commit fraud and misrepresent their status as resident aliens by filing IRS form 1040. The 1040 form is only for those with a domicile on federal territory that is no part of a state of the Union and who are "resident aliens". Even statutory "U.S. citizens" under 26 U.S.C. §911 are "resident aliens" in relation to the foreign country they are temporarily in while abroad. All "taxpayers", in fact, are aliens pursuant to 26 CFR §1.144101(c)(3).

The ONLY way for a "nonresident alien" to lawfully become a "resident alien" is to make an election to do so as a person married to a statutory but not constitutional "citizen of the United States" pursuant to 8 U.S.C. §1401 and to do so under the authority of 26 U.S.C. §6013(g) and (h).

Some of our readers, in seeking to justify how they can lawfully become become "taxpayers" and Social Security franchise participants, have pointed to the the language at 26 U.S.C. §7701(b) as a justification for why and how a "nonresident alien" who is not an "individual" can lawfully elect to become a "resident alien" To wit:

26 U.S.C. §7701(b):

(b) Definition of resident alien and nonresident alien

(1) In general

For purposes of this title (other than subtitle B)—

(A) Resident alien

An alien individual shall be treated as a resident of the United States with respect to any calendar year if (and only if) such individual meets the requirements of clause (i), (ii), or (iii):

(i) Lawfully admitted for permanent residence Such individual is a lawful permanent resident of the United States at any time during such calendar year.

Paragraph (b)(6) in the above statute defines "lawful permanent resident" as follows:

(6) Lawful permanent resident

For purposes of this subsection, an individual is a lawful permanent resident of the United States at any time if—

(A) such individual has the status of having been lawfully accorded the privilege of residing permanently in the United States as an immigrant in accordance with the immigration laws, and

(B) such status has not been revoked (and has not been administratively or judicially determined to have been abandoned).

1 Notice that it DOES NOT SAY:

2 *Such individual HAS BEEN lawfully accorded the privilege of residing permanently in the United States.*

3 It DOES SAY:

4 *Such individual HAS THE STATUS OF HAVING BEEN accorded the privilege . . .*

5 Those invoking the above statute to justify an election to become a “resident alien” by a non-citizen national will then say:

6 *This is a HUGE difference. If a nonresident alien submits resident forms unwittingly, he therefore obtains*  
7 *administratively the STATUS of resident, and thus meets the legal definition of paragraph (6). If he meets the*  
8 *definition of paragraph (6), then he also meets the definition of (b)(1)(A)(i) above, and can thus be legally*  
9 *treated as if a resident alien for the purposes of banking, and submitting form W-9 as a contractor. This of*  
10 *course is done unwittingly, but it is legal.*

11 *I believe this is the legal mechanism that allows the masses to legally wrongfully represent themselves to*  
12 *financial institutions and payers while indemnifying the acceptance agent . . . which is the whole objective*  
13 *anyway. It's my personal feeling that these guys are slick enough to not blatantly do something that big that*  
14 *would be ALL-OUT illegal.*

15 *I'm not trying to walk the tightrope here and have it both ways. But as I have said in the past, I have seen some*  
16 *inconsistencies in application of the law (my opinion) that can be labeled as "curve fitting." An officer in the*  
17 *military earns "wages" and is required to participate in Social Security. There is no way around that.*  
18 *Furthermore, the code and regs clearly state that if you have a SSN, you may NOT obtain a TIN, but you MAY*  
19 *change the status of the number. I have no problem paying my lawful tax. And I don't have a problem receiving*  
20 *a military pension. I don't like Social Security as I understand how the system is implemented. But that doesn't*  
21 *relieve me of my obligations under law, it is on the shoulders of those who engineered the scheme.*

22 *If a nonresident alien receives "United States" payments . . . he better be paying Federal Income Tax on them.*  
23 *That is my personal opinion and conclusion. I have not seen ONE thing that relieves a nonresident alien of that*  
24 *burden.*

25 The above logic of justifying how a “nonresident alien” who is a non-citizen national domiciled in a state of the Union can  
26 lawfully become a statutory “resident alien” pursuant to 26 U.S.C. §7701(b) is, in fact, unlawful and in most cases a crime  
27 for the average American. A non-citizen national pursuant to 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452 domiciled in a  
28 state of the Union and not lawfully occupying a public office in the District of Columbia as required by 4 U.S.C. §72  
29 cannot lawfully engage in the “trade or business” franchise or to elect to be treated as a “resident alien” because of the  
30 following considerations:

- 31 1. The term "lawful permanent resident" is defined in Title 8 and it doesn't include anyone born in a state of the Union  
32 and certainly nowhere expressly includes a "non-citizen national" pursuant to 8 U.S.C. §1101(a)(21) and 8 U.S.C.  
33 §1452. Yes, we agree that a non-citizen national is a statutory "alien" pursuant to 8 U.S.C. §1101(a)(3), but there is no  
34 way for him/her within Title 8 to become a "lawful permanent resident". If you disagree, show us someone born in a  
35 state who told the whole truth about that fact to the Dept. of State and got a Green Card issued to them.
- 36 2. The rights of people domiciled in states of the Union are INALIENABLE according to the Declaration of  
37 Independence, which is organic law. Therefore, they can't be contracted or bargained away or converted into a  
38 privilege in relation to a REAL, de jure government. The only way around this problem are for the judge/IRS to admit  
39 that they don't represent a real government but a private corporate franchise. Only by being a private corporation and  
40 acting in a private capacity can they lawfully contract in that way with you if you are domiciled in a state of the Union  
41 protected by the organic law. We know this is the case, but we also know that they don't ever want to admit that.
- 42 3. Nowhere is the status of "resident alien" declared or expressly conferred by simply filing IRS Form 1040. The IRS has  
43 a hard time even telling the truth about who the form is really used by. The only place you can go to find out that the  
44 1040 is a "U.S. person", "U.S. citizen", and "U.S. resident" form is IRS Document 7130. They don't put that in the  
45 1040 Booklet or on the form. It's a scam because they are digging a hole and hoping that your own false presumptions  
46 will cause you to fall into it. Even if you raise the issue that the 1040 form is ONLY for resident aliens and not citizens  
47 unless abroad, they routinely call you a crack pot. Therefore, if you asked the IRS whether you can change your status  
48 from being a non-citizen national to a resident alien by filing form 1040, they would say no. Your hypothesis can't  
49 therefore be true.
- 50 4. You can't be a "resident" in a place without a physical presence there. The non-citizen national in the state who made  
51 the UNLAWFUL election to be treated as a statutory "resident alien" is committing perjury because the physical place



where he/she lives didn't change. In reality, all he/she did was unlawfully elect himself into a "public office" by filling out a tax form and sending a bribe/kickback to someone to treat him like a public officer. That, too is a CRIME. [18 U.S.C. §211](#) makes it a crime to bribe someone to get them appointed into a public office, and probably everyone in the IRS could and probably should be prosecuted for THAT crime, because all "taxpayers" are public officers. Under Federal Rule of Civil Procedure 17(b), the "taxpayer" is representing an office with a domicile in the District of Columbia, but he never physically moved there so technically he CAN'T be a statutory "resident alien" under 26 U.S.C. §7701(b). Furthermore, aliens are NOT permitted to serve in public offices, hence, even if he was lawfully appointed, he is serving ILLEGALLY. EVERYTHING they are doing right now is illegal and a SCAM from the get go.

What the above reader is trying to do is come up with a way for a sovereign party protected by the Constitution who CAN'T lawfully bargain away ANY right in relation to government to waive sovereign immunity under 28 U.S.C. §1605 and change his status from a protected party to a privileged statutory "resident alien". It can't be done because his/her rights are INALIENABLE in relation to a REAL, DE JURE government. Only those not protected by the Constitution can do so, which means they fit one of the following criteria:

1. They are domiciled on federal territory not protected by the Constitution. The District of Columbia IS protected by the Constitution because it was inside of Virginia before it was ceded and was protected by the Constitution at the time it was ceded, and according to the U.S. Supreme Court in *Downes v. Bidwell*, 182 U.S. 244 (1901) the protection of the Constitution against that land can't be removed by any Act of Congress. That is because rights are unalienable and can't be bargained away, which is further confirmation of what we are saying.
2. They are in a foreign country (other than a state of the Union) under 26 U.S.C. §911 AND continue to maintain a domicile in the statutory "United States" on federal territory. They don't enjoy the protections of the Constitution while abroad, as agreed by the U.S. Supreme Court in *Cook v. Tait*, 265 U.S. 47 (1925).

The average American doesn't satisfy either of the above two conditions, and certainly doesn't while in a constitutional but not statutory "state" applying for a bank account. Consequently, the ONLY way to truthfully describe what banks are doing by allowing non-citizen nationals domiciled in a state to open bank accounts as statutory "resident aliens" with a Taxpayer Identification Number" is that they are helping depositors commit the following crimes:

1. Impersonating a statutory but not constitutional "U.S. citizen". 18 U.S.C. §911.
2. Impersonating a public officer. 18 U.S.C. §912. All public offices can be exercised ONLY in the District of Columbia and NOT elsewhere and they don't work in the District of Columbia as required by 4 U.S.C. §72.
3. Conspiracy to defraud the "United States". 18 U.S.C. §287. Everyone participating in a public benefit who does not in fact qualify because not a public officer in the government is committing a fraud upon the United States.
4. Filing false information returns. 26 U.S.C. §§7206, 7207. They file information returns against depositors and all these are false because the depositors do not lawfully occupy a public office and therefore are NOT engaged in the "trade or business" franchise as required by 26 U.S.C. §6041(a).
5. Fraud in connection with computers. 18 U.S.C. §1030. All their account holder records are knowingly fraudulent because they misrepresent the status of nearly all their depositors.
6. Bribing public officials. 18 U.S.C. §201. Taxes paid by those not lawfully occupying a public office and paid to those in the District of Columbia who ARE public officers is bribery of public officials.

## **22.2 How the tax code compels choice of domicile**

The government has compelled domicile or interfered with receiving the benefits of your choice by any of the following means:

1. Nowhere in Internal Revenue Code is the word "domicile" admitted to be the source of the government's jurisdiction to impose an income tax, even though the U.S. Supreme Court admitted this in *Miller Brothers Co. v. Maryland*, [347 U.S. 340](#) (1954). The word "domicile", in fact, is only used in two sections of the entire 9,500 page Internal Revenue Code, Title 26. This is no accident, but a very devious way for the government to avoid getting into arguments with persons who it is accusing of being "taxpayers". It avoids these arguments by avoiding showing Americans the easiest way to challenge federal jurisdiction, which is demanding proof from the government required by 5 U.S.C. §556(d), who is the moving party, that you maintain a domicile on federal territory. The two sections below are the only places where domicile is mentioned:
  - 1.1. 26 U.S.C. §7448(j)(1)(B)(vi): Annuities to surviving spouses and dependent children of judges.

1 1.2. 26 U.S.C. §6091: Defines where returns shall be submitted in the case of deceased “taxpayers”, which is the  
2 “domicile” of the decedent when he died.

3 2. They renamed the word “domicile” on government tax forms. They did this so that income taxation “appears” to be  
4 based entirely on physical presence, when in fact is also requires voluntary consent as well. If you knew that the  
5 government needed your consent to become a “taxpayer”, then probably everyone would “un-volunteer” and the  
6 government would be left scraping for pennies. Below are some examples of other names they gave to “domicile”:

7 2.1. “permanent address”

8 2.2. “permanent residence”

9 2.3. “residence”: defined above, and only applying to nonresident aliens. There is no definition of “residence”  
10 anywhere in the I.R.C. in the case of a “citizen”. Below is how Volume 28 of the Corpus Juris Secundum (C.J.S.)  
11 legal encyclopedia, Domicile, describes the distinction between “residence” and “domicile”:

12  
13 *Corpus Juris Secundum*  
14 §4 Domicile and Residence Distinguished

15 *b. Use of Terms in Statutes*

16 *The terms “domicile” and “residence,” as used in statutes, are commonly, although not necessarily, construed*  
17 *as synonymous. Whether the term “residence,” as used in a statute, will be construed as having the meaning of*  
18 *“domicile,” or the term “domicile” construed as “residence,” depends on the purpose of the statute and the*  
19 *nature of the subject matter, as well as the context in which the term is used. 32 It has been declared that the*  
20 *terms “residence” and “domicile” are almost universally used interchangeably in statute, and that since*  
21 *domicile and legal residence are synonymous, the statutory rules for determining the place of residence are the*  
22 *rules for determining domicile.<sup>34</sup> However, it has been held that “residence,” when used in statutes, is*  
23 *generally interpreted by the courts as meaning “domicile,” but with important exception.*

24 *Accordingly, whenever the terms “residence” and “domicile” are used in connection with subjects of domestic*  
25 *policy, the terms are equivalent, as they also are, generally, where a statute prescribes residence as a*  
26 *qualification for the enjoyment of a privilege or the exercise of a franchise. “Residence” as used in various*  
27 *particular statutes has been considered synonymous with “domicile.” 39 However, the terms are not*  
28 *necessarily synonymous.<sup>40</sup>*

29 [28 Corpus Juris Secundum, Domicile, §4 Domicile and Resident Distinguished]

30  
31 3. By telling you that you MUST have a “domicile”. For instance, the Volume 28 of the Corpus Juris Secundum (C.J.S.)  
32 section on “Domicile” says the following on this subject:

33  
34 *Corpus Juris Secundum*  
35 §5 Necessity and Number

36  
37 **“It is a settled principle that every person must have a domicile somewhere.<sup>3</sup> The law permits no individual**  
38 **to be without a domicile,<sup>42</sup> and an individual is never without a domicile somewhere.<sup>13</sup> Domicile is a**  
39 **continuing thing, and from the moment a person is born he must, at all times, have a domicile .”**  
40 [28 Corpus Juris Secundum, Domicile, §5 Necessity and Number]

41  
42  
43 *Corpus Juris Secundum*  
44 §9 Domicile by Operation of Law

45  
46 *“Whenever a person does not fix a domicile for himself, the law will fix one for him in accordance with the facts*  
47 *and circumstances of the case; 12 and an infant's domicile will be fixed by operation of law where it cannot be*  
48 *determined from that of the parents.<sup>73</sup>”*

49 [28 Corpus Juris Secundum, Domicile, §9 Domicile by Operation of Law]

50  
51 Indirectly, what they are suggesting in the above by FORCING you to have a domicile is that:

52 3.1. You cannot choose God as your sole Protector, but MUST have an earthly protector who cannot be yourself.

53 3.2. Although the First Amendment gives you the right to freely associate, it does not give you the right to disassociate  
54 with ALL governments. This is an absurdity.

55 3.3. Government has a monopoly on protection and that individuals are not allowed to fire the government and provide  
56 their own protection, either individually or collectively.

57 4. By inventing new words that allow them to avoid mentioning “domicile” in their vague “codes” while giving you the  
58 impression that an obligation exists that actually is consensual. For instance, in 26 U.S.C. §911 is the section of the  
59 I.R.C. entitled “Citizens or residents of the United States living abroad”. This section identifies the income tax  
60 liabilities of persons domiciled in the “United States” (federal zone) who are living temporarily abroad. We showed  
61 earlier that if they have a domicile abroad, then they cannot be either “citizens” or “residents” under the I.R.C., because  
62 domicile is a prerequisite for being either. In that section, they very deceptively:

- 1 4.1. Use the word “abode” in [26 U.S.C. §911](#)(d)(3) to describe one’s domicile so as to remove the requirement for  
2 “intent” and “consent” from consideration of the subject, even though they have no authority to ignore this  
3 requirement for consent in the case of anything but an “alien”.
- 4 4.2. Don't even use the word “domicile” at all, and refuse to acknowledge that what “citizens” or “residents” both have  
5 in common is a “domicile” within the United States. They did this to preserve the illusion that even after one  
6 changes their domicile to a foreign country while abroad, the federal tax liability continues, when in fact, it  
7 legally is not required to. After domicile is changed, those Americans who changed it while abroad then are no  
8 longer called “citizens” under federal law, but rather “nationals” and “nonresident aliens”.
- 9 4.3. They invented a new word called a “tax home”, as if it were a substitute for “domicile”, when in fact it is not. A  
10 “tax home” is defined in [26 U.S.C. §911](#) as a place where a person who has a temporary presence abroad treats  
11 himself or herself as a privileged “resident” in the foreign country but still also maintains a privileged “resident”  
12 and “domicile” status in the “United States”.

13 [TITLE 26 > Subtitle A > CHAPTER 1 > Subchapter N > PART III > Subpart B > § 911](#)  
14 [§ 911. Citizens or residents of the United States living abroad](#)

15 (d) Definitions and special rules For purposes of this section—

16 (3) Tax home

17 The term “**tax home**” means, with respect to any individual, such individual’s home for purposes of section 162  
18 (a)(2) (relating to traveling expenses while away from home). **An individual shall not be treated as having a**  
19 **tax home in a foreign country for any period for which his abode [domicile] is within the United States**  
20 **[federal zone].**  
21

22 The only way the government can maintain your status as a “taxpayer” is to perpetuate you in a “privileged” state,  
23 so they simply don’t offer any options to leave the privileged state by refusing to admit to you that the terms  
24 “citizen” and “resident” presume you made a voluntary choice of domicile within their jurisdiction. I.R.C. section  
25 162 mentioned above is the section for privileged deductions, and the only persons who can take deductions are  
26 those engaged in the privileged “trade or business” excise taxable franchise. Therefore, the only person who  
27 would derive any benefit from deductions is a person with a domicile in the “United States” (federal  
28 government/territory) and who has earnings from that place which are connected with a “trade or business”, which  
29 means U.S. government (corporation) source income as a “public officer”.

## 30 **22.3 How the Legal Encyclopedia compels choice of domicile**

31 Even the legal encyclopedia tries to hide the nature of domicile. For instance, Volume 28 of the Corpus Juris Secundum  
32 (C.J.S.) at:

33 <http://famguardian.org/TaxFreedom/CitesByTopic/Domicile-28CJS-20051203.pdf>

34 which we quoted in the previous section does not even mention the requirement for “allegiance” as part of domicile or the  
35 fact that allegiance must be voluntary and not compelled, even though the U.S. Supreme Court said this was an essential  
36 part of it:

37 “Since the Fourteenth Amendment makes one a citizen of the state wherein he resides, **the fact of residence**  
38 **creates universally reciprocal duties of protection by the state and of allegiance and support by the citizen.**  
39 **The latter obviously includes a duty to pay taxes, and their nature and measure is largely a political matter.**”  
40 [Miller Brothers Co. v. Maryland, [347 U.S. 340](#) (1954)]

41 The legal encyclopedia in the above deliberately and maliciously omits mention of any of the following key concepts, even  
42 though the U.S. Supreme Court has acknowledged elements of them as we have shown:

- 43 1. That allegiance that is the foundation of domicile must be voluntary and cannot be coerced.  
44 2. That external factors such as the withdrawal of one’s right to conduct commerce for failure to give allegiance causes  
45 domicile choice to no longer be voluntary.  
46 3. That a choice of domicile constitutes an exercise of your First Amendment right of freedom of association and that a  
47 failure to associate with a specific government is an exercise of your right of freedom from compelled association.  
48 4. That you retain all your constitutional rights even WITHOUT choosing a domicile within a specific government



1 because rights attach to the land you are standing on and not the civil status you choose by exercising your right to  
2 associate and becoming a member of a “state” or municipality.

3 The result of maliciously refusing to acknowledge the above concepts is a failure to acknowledge the foundation of all just  
4 authority of every government on earth, which is the consent of the governed mentioned in our Declaration of  
5 Independence.

6 “We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator  
7 with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.--That to  
8 secure these rights, Governments are instituted among Men, deriving their just powers from the consent of  
9 the governed, --That whenever any Form of Government becomes destructive of these ends, it is the Right of the  
10 People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and  
11 organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness.”  
12 [Declaration of Independence]

13 A failure to acknowledge that requirement results in a complete destruction of the sovereignty of the people, because the  
14 basis of all your sovereignty is that no one can do anything to you without your consent, unless you injured the equal rights  
15 of others. This concept is exhaustively described in the following document:

Requirement for Consent, Form #05.003  
<http://sedm.org/Forms/FormIndex.htm>

## 16 **22.4 How governments compel choice of domicile: Government ID**

17 In order to do business within any jurisdiction, and especially with the government and financial institutions, one usually  
18 needs identification documents. Such documents include:

- 19 1. State driver’s license. Issued by the Dept. of Motor Vehicles in your state.
- 20 2. State ID card. Issued by the Dept. of Motor Vehicles in your state.
- 21 3. Permanent resident green card.
- 22 4. National passport. Issued by the U.S. Dept. of State.
- 23 5. U.S. Citizen Card. Issued by the Dept. of State. These are typically used at border crossings.

24 All ID issued by the state governments, and especially the driver’s license, requires that the applicant be a “resident” of the  
25 “State of\_\_\_\_\_”. If you look up the definition of “resident” and “State of” or “State” or “in this State” within the state tax  
26 code, these terms are defined to mean a privileged alien with a domicile on federal territory not protected by the  
27 Constitution.

28 USA passports also require that you provide a domicile. The Dept. of State DS-11 Form in Block 17 requires you to  
29 specify a “Permanent Address”, which means domicile. See:

<http://famguardian.org/Subjects/Taxes/Citizenship/DOS-DS11-20080320.pdf>

30 Domicile within the country is not necessary in order to be issued a national passport. All you need is proof of birth within  
31 that country. If you would like tips on how to obtain a national passport without a domicile within a state and without  
32 government issued identifying numbers that connect you to franchises, see:

How to Apply for a Passport as a “National”, Form #09.007  
<http://sedm.org/Forms/FormIndex.htm>

33 State ID, however, always requires domicile within the state in order to be issued either a state driver’s license or a state ID.  
34 Consequently, there is no way to avoid becoming privileged if you want state ID. This situation would seem at first to be a  
35 liability until you also consider that they can’t lawfully issue a driver’s license to non-residents. Imagine going down to the  
36 DMV and telling them that you are physically on state land but do not choose a domicile here and that you can’t be  
37 compelled to and that you would like for them to certify that you came in to request a license and that you were refused and  
38 don’t qualify. Then you can show that piece of paper called a “Letter of Disqualification” to the next police officer who  
39 stops you and asks you for a license. Imagine having the following dialog with the police officer when you get stopped:

Officer: May I see your license and registration please?

You: I'm sorry, officer, but I went down to the DMV to request a license and they told me that I don't qualify because I am a non-resident of this state. I have a Letter of Disqualification they gave me while I was there stating that I made application and that they could not lawfully issue me a license. Here it is, officer.

Officer: Well, then do you have a license from another state?

You: My domicile is in a place that has no government. Therefore, there is no one who can issue licenses there. Can you show me a DMV office in the middle of the ocean, which is where my domicile is and where my will says my ashes will be PERMANENTLY taken to when I die. My understanding is that domicile or residence requires an intention to permanently remain at a place and I am not here permanently and don't intend to remain here. I am a perpetual traveler, a transient foreigner, and a vagrant until I am buried.

Officer: Don't get cute with me. If you don't produce a license, then I'm going to cite you for driving without a license.

You: Driving is a commercial activity and I am not presently engaged in a commercial activity. Do you have any evidence to the contrary? Furthermore, I'd love to see you explain to the judge how you can punish me for refusing to have that which the government says they can't even lawfully issue me. That ought to be a good laugh. I'm going to make sure the whole family is there for that one. It'll be better than Saturday Night Live!

We allege that the purpose of the vehicle code in your state is NOT the promotion of public safety, but to manufacture "residents" and "taxpayers". The main vehicle by which states of the Union, in fact, manufacture "residents", who are privileged "public officers" that are "taxpayers" and aliens with respect to the government is essentially by compelling everyone to obtain and use state driver's licenses. This devious trap operates as follows:

1. You cannot obtain a state driver's license without being a "resident". If you go into any DMV office and tell them you are not a "resident", then they are not allowed to issue you a license. You can ask from them what is called a "Letter of Disqualification", which states that you are not eligible for a driver's license. You can keep that letter and show it to any police officer who stops you and wants your "license". He cannot then cite you for "driving without a license" that the state refuses to issue you, nor can he impound your car for driving without a license!

#### California Vehicle Code

"14607.6. (a) Notwithstanding any other provision of law, and except as provided in this section, **a motor vehicle is subject to forfeiture as a nuisance if it is driven on a highway in this state by a driver with a suspended or revoked license, or by an unlicensed driver, who is a registered owner of the vehicle at the time of impoundment and has a previous misdemeanor conviction for a violation of subdivision (a) of Section 12500 or Section 14601, 14601.1, 14601.2, 14601.3, 14601.4, or 14601.5.**"

(b) A peace officer shall not stop a vehicle for the sole reason of determining whether the driver is properly licensed.

(c) (1) If a driver is unable to produce a valid driver's license on the demand of a peace officer enforcing the provisions of this code, as required by subdivision (b) of Section 12951, the vehicle shall be impounded regardless of ownership, unless the peace officer is reasonably able, by other means, to verify that the driver is properly licensed. Prior to impounding a vehicle, a peace officer shall attempt to verify the license status of a driver who claims to be properly licensed but is unable to produce the license on demand of the peace officer.

(2) A peace officer shall not impound a vehicle pursuant to this subdivision if the license of the driver expired within the preceding 30 days and the driver would otherwise have been properly licensed.

(3) A peace officer may exercise discretion in a situation where the driver without a valid license is an employee driving a vehicle registered to the employer in the course of employment. A peace officer may also exercise discretion in a situation where the driver without a valid license is the employee of a bona fide business establishment or is a person otherwise controlled by such an establishment and it reasonably appears that an owner of the vehicle, or an agent of the owner, relinquished possession of the vehicle to the business establishment solely for servicing or parking of the vehicle or other reasonably similar situations, and where the vehicle was not to be driven except as directly necessary to accomplish that business purpose. In this event, if the vehicle can be returned to or be retrieved by the business establishment or registered owner, the peace officer may release and not impound the vehicle.

(4) A registered or legal owner of record at the time of impoundment may request a hearing to determine the

validity of the impoundment pursuant to subdivision (n).

**(5) If the driver of a vehicle impounded pursuant to this subdivision was not a registered owner of the vehicle at the time of impoundment, or if the driver of the vehicle was a registered owner of the vehicle at the time of impoundment but the driver does not have a previous conviction for a violation of subdivision (a) of Section 12500 or Section 14601, 14601.1, 14601.2, 14601.3, 14601.4, or 14601.5, the vehicle shall be released pursuant to this code and is not subject to forfeiture.**

(d) (1) This subdivision applies only if the driver of the vehicle is a registered owner of the vehicle at the time of impoundment. Except as provided in paragraph (5) of subdivision (c), if the driver of a vehicle impounded pursuant to subdivision (c) was a registered owner of the vehicle at the time of impoundment, the impounding agency shall authorize release of the vehicle if, within three days of impoundment, the driver of the vehicle at the time of impoundment presents his or her valid driver's license, including a valid temporary California driver's license or permit, to the impounding agency. The vehicle shall then be released to a registered owner of record at the time of impoundment, or an agent of that owner authorized in writing, upon payment of towing and storage charges related to the impoundment, and any administrative charges authorized by Section 22850.5, providing that the person claiming the vehicle is properly licensed and the vehicle is properly registered. A vehicle impounded pursuant to the circumstances described in paragraph (3) of subdivision (c) shall be released to a registered owner whether or not the driver of the vehicle at the time of impoundment presents a valid driver's license.

(2) If there is a community property interest in the vehicle impounded pursuant to subdivision (c), owned at the time of impoundment by a person other than the driver, and the vehicle is the only vehicle available to the driver's immediate family that may be operated with a class C driver's license, the vehicle shall be released to a registered owner or to the community property interest owner upon compliance with all of the following requirements:

(A) The registered owner or the community property interest owner requests release of the vehicle and the owner of the community property interest submits proof of that interest.

(B) The registered owner or the community property interest owner submits proof that he or she, or an authorized driver, is properly licensed and that the impounded vehicle is properly registered pursuant to this code.

(C) All towing and storage charges related to the impoundment and any administrative charges authorized pursuant to Section 22850.5 are paid.

(D) The registered owner or the community property interest owner signs a stipulated vehicle release agreement, as described in paragraph (3), in consideration for the nonforfeiture of the vehicle. This requirement applies only if the driver requests release of the vehicle.

(3) A stipulated vehicle release agreement shall provide for the consent of the signator to the automatic future forfeiture and transfer of title to the state of any vehicle registered to that person, if the vehicle is driven by a driver with a suspended or revoked license, or by an unlicensed driver. The agreement shall be in effect for only as long as it is noted on a driving record maintained by the department pursuant to Section 1806.1.

(4) The stipulated vehicle release agreement described in paragraph (3) shall be reported by the impounding agency to the department not later than 10 days after the day the agreement is signed.

(5) No vehicle shall be released pursuant to paragraph (2) if the driving record of a registered owner indicates that a prior stipulated vehicle release agreement was signed by that person.

(e) (1) The impounding agency, in the case of a vehicle that has not been redeemed pursuant to subdivision (d), or that has not been otherwise released, shall promptly ascertain from the department the names and addresses of all legal and registered owners of the vehicle.

(2) The impounding agency, within two days of impoundment, shall send a notice by certified mail, return receipt requested, to all legal and registered owners of the vehicle, at the addresses obtained from the department, informing them that the vehicle is subject to forfeiture and will be sold or otherwise disposed of pursuant to this section. The notice shall also include instructions for filing a claim with the district attorney, and the time limits for filing a claim. The notice shall also inform any legal owner of its right to conduct the sale pursuant to subdivision (g). If a registered owner was personally served at the time of impoundment with a notice containing all the information required to be provided by this paragraph, no further notice is required to be sent to a registered owner. However, a notice shall still be sent to the legal owners of the vehicle, if any. If notice was not sent to the legal owner within two working days, the impounding agency shall not charge the legal owner for more than 15-days' impoundment when the legal owner redeems the impounded vehicle.

(3) No processing charges shall be imposed on a legal owner who redeems an impounded vehicle within 15



days of the impoundment of that vehicle. If no claims are filed and served within 15 days after the mailing of the notice in paragraph (2), or if no claims are filed and served within five days of personal service of the notice specified in paragraph (2), when no other mailed notice is required pursuant to paragraph (2), the district attorney shall prepare a written declaration of forfeiture of the vehicle to the state. A written declaration of forfeiture signed by the district attorney under this subdivision shall be deemed to provide good and sufficient title to the forfeited vehicle. A copy of the declaration shall be provided on request to any person informed of the pending forfeiture pursuant to paragraph (2). A claim that is filed and is later withdrawn by the claimant shall be deemed not to have been filed.

(4) If a claim is timely filed and served, then the district attorney shall file a petition of forfeiture with the appropriate juvenile, municipal, or superior court within 10 days of the receipt of the claim. The district attorney shall establish an expedited hearing date in accordance with instructions from the court, and the court shall hear the matter without delay. The court filing fee, not to exceed fifty dollars (\$50), shall be paid by the claimant, but shall be reimbursed by the impounding agency if the claimant prevails. To the extent practicable, the civil and criminal cases shall be heard at the same time in an expedited, consolidated proceeding. A proceeding in the civil case is a limited civil case.”  
[California Vehicle Code, Section 14607.6, Sept. 20, 2004]

Below is evidence showing how one person obtained a “Letter of Disqualification” that resulted in being able to drive perpetually without having a state -issued driver's license.

<http://famguardian.org/Subjects/Taxes/Articles/DomicileBasisTaxationDL-20060522.pdf>

2. Most state vehicle codes define “resident” as a person with a domicile in the “State”. Below is an example from the California Vehicle Code:

#### California Vehicle Code

516. “**Resident**” means any person who manifests an intent to live or be located in this state on more than a temporary or transient basis. Presence in the state for six months or more in any 12-month period gives rise to a rebuttable presumption of residency.

The following are evidence of residency for purposes of **vehicle** registration:

- (a) Address where registered to vote.
- (b) Location of employment or place of business.
- (c) Payment of **resident** tuition at a public institution of higher education.
- (d) Attendance of dependents at a primary or secondary school.
- (e) Filing a homeowner's property tax exemption.
- (f) Renting or leasing a home for use as a residence.
- (g) Declaration of residency to obtain a license or any other privilege or benefit not ordinarily extended to a nonresident.
- (h) Possession of a California driver's license.
- (i) Other acts, occurrences, or events that indicate presence in the state is more than temporary or transient.

[SOURCE:

<http://www.leginfo.ca.gov/cgi-bin/waisgate?WAISdocID=49966114921+5+0+0&WAISection=retrieve/>

#### California Vehicle Code

12505. (a) (1) For purposes of this division only and notwithstanding Section 516, **residency shall be determined as a person's state of domicile. “State of domicile” means the state where a person has his or her true, fixed, and permanent home and principal residence and to which he or she has manifested the intention of returning whenever he or she is absent.**

Prima facie evidence of residency for driver's licensing purposes includes, but is not limited to, the following:

- (A) Address where registered to vote.
- (B) Payment of resident tuition at a public institution of higher education.
- (C) Filing a homeowner's property tax exemption.
- (D) Other acts, occurrences, or events that indicate presence in the state is more than temporary or transient.

(2) California residency is required of a person in order to be issued a commercial driver's license under this code.

(b) The presumption of residency in this state may be rebutted by satisfactory evidence that the licensee's primary residence is in another state.

(c) Any person entitled to an exemption under Section 12502, 12503, or 12504 may operate a motor **vehicle** in this state for not to exceed 10 days from the date he or she establishes residence in this state, except that he or she shall obtain a license from the department upon becoming a **resident** before being employed for compensation by another for the purpose of driving a motor **vehicle** on the highways.

[SOURCE:  
<http://www.leginfo.ca.gov/cgi-bin/waisgate?WAISdocID=49860512592+2+0+0&WAIAction=retrieve>]

---

516. "Resident" means any person who manifests an intent to live or be located in this state on more than a temporary or transient basis. Presence in the state for six months or more in any 12-month period gives rise to a rebuttable presumption of residency.

The following are evidence of residency for purposes of vehicle registration:

(a) Address where registered to vote.

(b) Location of employment or place of business.

(c) Payment of resident tuition at a public institution of higher education.

(d) Attendance of dependents at a primary or secondary school.

(e) Filing a homeowner's property tax exemption.

(f) Renting or leasing a home for use as a residence.

(g) Declaration of residency to obtain a license or any other privilege or benefit not ordinarily extended to a nonresident.

(h) Possession of a California driver's license.

(i) Other acts, occurrences, or events that indicate presence in the state is more than temporary or transient.

[SOURCE: <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=veh&group=00001-01000&file=100-680>]

3. The term "State" is then defined in the revenue codes to mean the federal areas within the exterior limits of the state. Below is an example from the California Revenue and Taxation Code:

*California Revenue and Taxation Code*

17017. "United States," when used in a geographical sense, includes the states, the District of Columbia, and the possessions of the United States.

17018. "State" includes the District of Columbia, and the possessions of the United States.

4. You must surrender all other state driver's licenses in order to obtain one from most states. Below is an example from the California Vehicle Code:

*California Vehicle Code*

12805. The department shall not issue a driver's license to, or renew a driver's license of, any person:

[ . . . ]

(f) Who holds a valid driver's license issued by a foreign jurisdiction unless the license has been surrendered to the department, or is lost or destroyed.

12511. No person shall have in his or her possession or otherwise under his or her control more than one driver's license.

Consequently, the vehicle code in most states, in the case of individuals not involved in "commercial activity", applies mainly to "public officers" who are effectively "residents" of the federal zone with an effective "domicile" or "residence" there:

[26 U.S.C. §7701](#)

(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent

thereof—

(39) Persons residing outside United States

If any citizen or resident of the United States does not reside in (and is not found in) any United States judicial district, such citizen or resident shall be treated as residing in the District of Columbia for purposes of any provision of this title relating to—

(A) jurisdiction of courts, or

(B) enforcement of summons.

[SOURCE: [http://www4.law.cornell.edu/uscode/html/uscode26/usc\\_sec\\_26\\_00007701----000-.html](http://www4.law.cornell.edu/uscode/html/uscode26/usc_sec_26_00007701----000-.html)]

These “persons” are “taxpayers”. They are Americans who have contracted away their Constitutional rights in exchange for government “privileges” and they are the only “persons” who inhabit or maintain a “domicile” or “residence” in the “State” as defined above. Only people with a domicile in such “State” can be required to obtain a “license” to drive on the “highways”. While they are exercising “agency” on behalf of or representing the government corporation, they are “citizens” of that corporation and “residents”, because the corporation itself is a “citizen” and therefore a person with a domicile in the place where the corporation was formed, which for the “United States\*\*” is the District of Columbia:

“Corporations are also of all grades, and made for varied objects; **all governments are corporations, created by usage and common consent, or grants and charters which create a body politic for prescribed purposes; but whether they are private, local or general, in their objects, for the enjoyment of property, or the exercise of power, they are all governed by the same rules of law, as to the construction and the obligation of the instrument by which the incorporation is made. One universal rule of law protects persons and property.** It is a fundamental principle of the common law of England, that the term freemen of the kingdom, includes ‘all persons,’ ecclesiastical and temporal, incorporate, politique or natural; it is a part of their magna charta (2 Inst. 4), and is incorporated into our institutions. The persons of the members of corporations are on the same footing of protection as other persons, and their corporate property secured by the same laws which protect that of individuals. 2 Inst. 46-7. ‘No man shall be taken,’ ‘no man shall be disseised,’ without due process of law, is a principle taken from magna charta, infused into all our state constitutions, and is made inviolable by the federal government, by the amendments to the constitution.”  
[Proprietors of Charles River Bridge v. Proprietors of Warren Bridge, 36 U.S. 420 (1837)]

“A corporation is a citizen, **resident**, or inhabitant of the state or country by or under the laws of which it was created, and of that state or country only.”  
[19 Corpus Juris Secundum, Corporations, §886]

Federal Rules of Civil Procedure  
[IV. PARTIES](#) > Rule 17.  
[Rule 17. Parties Plaintiff and Defendant; Capacity](#)

(b) Capacity to Sue or be Sued.

**Capacity to sue or be sued is determined as follows:**

**(1) for an individual who is not acting in a representative capacity, by the law of the individual's domicile;**  
**(2) for a corporation or one REPRESENTING a PUBLIC CORPORATION called the government as a “public officer”, by the law under which it was organized; and**  
**(3) for all other parties, by the law of the state where the court is located, except that:**  
    (A) a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws; and  
    (B) [28 U.S.C. §§ 754](#) and [959\(a\)](#) govern the capacity of a receiver appointed by a United States court to sue or be sued in a United States court.  
[SOURCE: <http://www.law.cornell.edu/rules/frcp/Rule17.htm>]

If you don’t want to be a “public officer” who has an effective “domicile” or “residence” in the District of Columbia, then you have to divorce the state, create your own “state”, and change your domicile to that new “state”. For instance, you can form an association of people and choose a domicile within that association. This association would be referred to as a “foreign jurisdiction” within the vehicle code in most states. The association can become the “government” for that group, and issue its own driver’s licenses and conduct its own “courts”. In effect, it becomes a competitor to the de facto state for



the affections, allegiance, and obedience of the people. This is capitalism at its finest, folks!

California Vehicle Code

12502. (a) The following persons may operate a motor vehicle in this state without obtaining a driver's license under this code:

(1) A nonresident over the age of 18 years having in his or her immediate possession a valid driver's license issued by a foreign jurisdiction of which he or she is a resident, except as provided in Section 12505.

[SOURCE:

<http://www.leginfo.ca.gov/cgi-bin/displaycode?section=veh&group=12001-13000&file=12500-12527>]

As long as the driver's licenses issued by the government you form meet the same standard as those for the state you are in, then it doesn't matter who issued it.

California Vehicle Code

12505. (a) (1) For purposes of this division only and notwithstanding Section 516, residency shall be determined as a person's state of domicile. "State of domicile" means the state where a person has his or her true, fixed, and permanent home and principal residence and to which he or she has manifested the intention of returning whenever he or she is absent.

[...]

(e) Subject to Section 12504, a person over the age of 16 years who is a resident of a foreign jurisdiction other than a state, territory, or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or Canada, having a valid driver's license issued to him or her by any other foreign jurisdiction having licensing standards deemed by the Department of Motor Vehicles equivalent to those of this state, may operate a motor vehicle in this state without obtaining a license from the department, except that he or she shall obtain a license before being employed for compensation by another for the purpose of driving a motor vehicle on the highways.

[SOURCE:

<http://www.leginfo.ca.gov/cgi-bin/displaycode?section=veh&group=12001-13000&file=12500-12527>]

As long as you take and pass the same written and driver's tests as the state uses, even your church could issue it! As a matter of fact, below is an example of a church that issues "Heaven Driver's Licenses" called "Embassy of Heaven":

<http://www.embassyofheaven.com/>

You can't be compelled by law to grant to your public "servants" a monopoly that compels you into servitude to them as a "public officer". In the United States, WE THE PEOPLE are the government, and not their representatives and "servants" who work for them implementing the laws that they pass. Consequently, you and your friends or church, as a "self-governing body" can make your own driver's license and in fact and in law, those licenses will by definition be "government-issued". To wit:

"The words 'people of the United States' and 'citizens,' are synonymous terms, and mean the same thing. They both describe the political body who, according to our republican institutions, form the sovereignty, and who hold the power and conduct the government through their representatives [they are the government, not their servants]. They are what we familiarly call the 'sovereign people,' and every citizen is one of this people, and a constituent member of this sovereignty. ..."

[Boyd v. State of Nebraska, 143 U.S. 135 (1892)]

"From the differences existing between feudal sovereignties and Government founded on compacts, it necessarily follows that their respective prerogatives must differ. Sovereignty is the right to govern; a nation or State-sovereign is the person or persons in whom that resides. In Europe the sovereignty is generally ascribed to the Prince; here it rests with the people; there, the sovereign actually administers the Government; here, never in a single instance; our Governors are the agents of the people, and at most stand in the same relation to their sovereign, in which regents in Europe stand to their sovereigns. Their Princes have personal powers, dignities, and pre-eminences, our rulers have none but official; nor do they partake in the sovereignty otherwise, or in any other capacity, than as private citizens."

[Chisholm, Ex'r. v. Georgia, 2 Dall. (U.S.) 419, 1 L.ed. 454, 457, 471, 472 (1794)]

Anyone who won't accept such a driver's license should be asked to contradict the U.S. Supreme Court and to prove that

**Nonresident Alien Position**

Copyright Sovereignty Education and Defense Ministry, <http://sedm.org>  
Form 05.020, Rev. 9-20-2009

227 of 327

EXHIBIT: \_\_\_\_\_

1 you AREN'T part of the government as a person who governs his own life and the lives of other members of the group you  
2 have created. The following article also emphasizes that "We The People" are the government, and that our servants have  
3 been trying to deceive us into believing otherwise:

*We The People Are The American Government*, Nancy Levant  
<http://famguardian.org/Subjects/LawAndGovt/Articles/WeAreGovernment.pdf>

4 If you would like to know more about this fascinating subject, see the following book:

*Defending Your Right to Travel*, Form #06.010  
<http://sedm.org/ItemInfo/Ebooks/DefYourRightToTravel.htm>

## 5 **22.5 How employers and financial institutions compel choice of domicile**

6 Whenever you open a financial account or start a new job these days, most employers, banks, or investment companies will  
7 require you to produce "government ID". Their favorite form of ID is the state issued ID. Unfortunately, unless you are an  
8 alien domiciled on federal territory within the exterior limits of the state who is not protected by the Constitution, you don't  
9 qualify for state ID or even a state driver's license. By asking for "government ID", employers and financial institutions  
10 indirectly are forcing you to do the following as a precondition of doing business with them:

- 11 1. Surrender the benefits and protections of being a "citizen" in exchange for being a privileged alien, and to do so  
12 WITHOUT consideration and without recourse.
- 13 2. Become a statutory "resident alien" pursuant to 26 U.S.C. §7701(b)(1)(A). domiciled on federal territory and subject to  
14 federal jurisdiction, who is a public officer within the federal government engaged in the "trade or business" franchise.  
15 See:

*The "Trade or Business" Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

- 16 3. Become a privileged "resident alien" franchisee who is compelled to participate in what essentially amounts to a  
17 "protection racket".

18 *"Residents, as distinguished from citizens, are aliens who are permitted to take up a permanent abode in the*  
19 *country. Being bound to the society by reason of their [intention of] dwelling in it, they are subject to its laws*  
20 *so long as they remain there, and, being protected by it, they must defend it, although they do not enjoy all the*  
21 *rights of citizenship. They have only certain privileges which the law, or custom, gives them. Permanent*  
22 *residents are those who have been given the right of perpetual residence. They are a sort of citizen of a less*  
23 *privileged character, and are subject to the society without enjoying all its advantages. Their children succeed*  
24 *to their status; for the right of perpetual residence given them by the State passes to their children."*  
25 *[The Law of Nations, p. 87, E. De Vattel, Volume Three, 1758, Carnegie Institution of Washington; emphasis*  
26 *added.]*

- 27 4. Serving two masters and subject simultaneously to state and federal jurisdiction. The federal government has  
28 jurisdiction over aliens, including those within a state.

29 *"No one can serve two masters [two employers, for instance]; for either he will hate the one and love the other,*  
30 *or else he will be loyal to the one and despise the other. You cannot serve God and mammon [government]."*  
31 *[Luke 16:13, Bible, NKJV. Written by a tax collector]*

32 One thing you can show financial institutions as an alternative to state ID or a state driver's license that doesn't connect you  
33 to the "protection franchise" and a domicile on federal territory is a USA passport. What they do to deal with "difficult"  
34 people like that is say that they need TWO forms of government ID in order to open the account. Here is an example of  
35 what you might hear on this subject:

36 *"I'm sorry, but the Patriot Act [or some other obscure regulation] requires you to produce TWO forms of*  
37 *government issued ID to open an account with us."*

38 Most people falsely presume that the above statement means that they ALSO need state ID in addition to the passport but  
39 this isn't true. It is a maxim of law that the law cannot require an impossibility. If they are going to impose a duty upon  
40 you under the color of law by saying that you need TWO forms of ID, they must provide a way to comply without:

- 1 1. Compelling you to politically associate with a specific government in violation of the First Amendment.
- 2 2. Compelling you to participate in government franchises by providing an identifying number.
- 3 3. Misrepresenting your status as a privileged “resident alien”.
- 4 4. Violating your religious beliefs by nominating an Earthly protector and thereby firing God as your only protector.

5 There are lots of ways around this trap. For instance, the U.S. Supreme Court said WE are the government and that we  
6 govern ourselves through our elected representatives.

7 “The words ‘people of the United States’ and ‘citizens,’ are synonymous terms, and mean the same thing.  
8 They both describe the political body who, according to our republican institutions, form the sovereignty, and  
9 who hold the power and conduct the government through their representatives. They are what we familiarly  
10 call the ‘sovereign people,’ and every citizen is one of this people, and a constituent member of this sovereignty.  
11 ...”  
12 [Boyd v. State of Nebraska, [143 U.S. 135](#) (1892)]

13 So what does “government id” really mean? A notary public is also a public officer and therefore part of the government.

14 Chapter 1  
15 Introduction  
16 §1.1 Generally

17 ***A notary public (sometimes called a notary) is a public official appointed under authority of law with power,***  
18 ***among other things, to administer oaths, certify affidavits, take acknowledgments, take depositions, perpetuate***  
19 ***testimony, and protect negotiable instruments. Notaries are not appointed under federal law; they are***  
20 ***appointed under the authority of the various states, districts, territories, as in the case of the Virgin Islands, and***  
21 ***the commonwealth, in the case of Puerto Rico. The statutes, which define the powers and duties of a notary***  
22 ***public, frequently grant the notary the authority to do all acts justified by commercial usage and the “law***  
23 ***merchant”.***  
24 [[Anderson's Manual for Notaries Public, Ninth Edition, 2001, ISBN 1-58360-357-3](#)]

25 If you hand the financial institution a any of the following, you have satisfied their requirement for secondary ID without  
26 violating the law or being compelled to associate with or contract with the government:

- 27 1. Notarized piece of paper with your picture and your birth certificate on it. The notary is a government officer and  
28 therefore it is government ID.
- 29 2. Certified copy of your birth certificate by itself. The certification is from the government so its government ID.
- 30 3. ID issued by a government you formed and signed by the “Secretary of State” of that government. The people are the  
31 government according to the Supreme Court, so you can issue your own ID.

32 You have to be creative at times to avoid the frequent attempts to compel you to sign up for government franchises, but it is  
33 still doable.

34 Another thing that nearly all financial institutions and private employers habitually do is PRESUME, usually wrongfully,  
35 that:

- 36 1. You are a “citizen” or a “resident” of the place you live or work. What citizens and residents have in common is a  
37 domicile within a jurisdiction. Otherwise, you would be called “nonresidents” or “transient foreigners”.
- 38 2. Whatever residence or mailing address you give them is your domicile.

39 By making such a false presumption, employers and financial institutions in effect are causing you to make an “invisible  
40 election” to become a citizen or resident or domiciliary and to provide your tacit consent to be governed without even  
41 realizing it.

42 If you want to prevent becoming a victim of the false presumption that you are a “citizen”, “resident”, and therefore  
43 domiciliary of the place you live or work, you must take special precautions to notify all of your business associates by  
44 providing a special form to them describing you as a “nonresident” of some kind. At the federal level, that form is the IRS  
45 Form W-8BEN or a suitable substitute, which identifies the holder as a “nonresident alien”. IRS does not make a form for  
46 “nonresidents” who are not “aliens”, unfortunately, so you must therefore modify their form or make your own form. For  
47 an article on how to fill out tax forms to ensure that you are not PRESUMED, usually prejudicially and falsely, to be a  
48 resident or citizen or domiciliary, see the following article:



Sometimes, those receiving your declaration of nonresident status may try to interfere with that choice. For such cases, the following pamphlet proves that the only one who can lawfully declare or establish your civil status, including your “nonresident” status, is you. If anyone tries to coerce you to declare a civil status for yourself that you don’t want to accept and don’t consent to, you should provide an affidavit indicating that you were under duress and that they threatened to financially penalize you or not contract with you if you don’t LIE on government forms and declare a status you don’t want. The following pamphlet is also useful in proving that they have no authority to coerce you to declare any civil status you don’t want:

We should always keep in mind that whenever a financial institution or employer asks for a tax form, they are doing so under the color of law as a “withholding agent” (26 U.S.C. §7701(a)(16)) who is a public officer of the government. Because they are a public officer of the government in their capacity as a withholding agent, they still have a legal duty not to violate your rights, even if they otherwise are a private company. The Constitution applies to all officers and agents of the government, including “withholding agents” while acting in that capacity.

## **23 Rebutted objections to the Nonresident Alien Position**

### **23.1 IRS Objections**

#### **23.1.1 Word “includes”**

The most frequent objection to the content of this document relates to the employment of the word “includes” within the Internal Revenue Code. Proponents of this objection often state arguments like the following:

*“Your interpretation of the term ‘United States’ as defined in [26 U.S.C. §7701\(a\)\(9\)](#) is incorrect. The definition uses the word ‘includes’. [26 U.S.C. §7701\(c\)](#) identifies the word ‘includes’ as a term of enlargement and not limitation. This means that it is being used as the equivalent of ‘in addition to’. The thing that it is adding to is the commonly understood meaning of the term, which interprets its meaning as including the 50 states of the Union.”*

The definition of “includes” they are referring to in the above is the following:

[26 U.S.C. Sec. 7701\(c\) INCLUDES AND INCLUDING](#)

*The terms ‘include’ and ‘including’ when used in a definition contained in this title shall not be deemed to exclude other things otherwise within the meaning of the term defined.”*

What the above devious approach is trying to do is to abuse the rules of statutory construction in order to encourage or promote false presumption about the jurisdiction of the Internal Revenue Code. They are trying to hoodwink you into believing that the IRS has more jurisdiction than they actually have. The rules of statutory construction state that the purpose for defining a term in a law is to supersede, not enlarge, the common definition of the term. The purpose of law is to eliminate, not introduce, uncertainty, confusion, or presumption about what is required. If it adds to confusion or presumption, the due process is violated. Such a malicious approach is also the equivalent of “false commercial speech” which can and should be subject to injunction by the federal courts, but seldom is. In effect, whoever makes this false claim is trying to imply that [I.R.C. 7701\(c\)](#) gives them carte blanche authority to include whatever they subjectively want to add into the definition of the term being controverted. This approach obviously:

1. Violates the whole purpose behind why law exists to begin with, explained earlier, which is to define and limit government power so as to protect the citizen from abuse by his government.
2. Gives arbitrary authority to a single individual to determine what the law “includes” and what it does not.

***“When we consider the nature and the theory of our institutions of government, the principles on which they are supposed to rest, and review the history of their development, we are constrained to conclude that they do***

not mean to leave room for the play and action of purely personal and arbitrary power. Sovereignty itself is, of course, not subject to law, for it is the author and source of law; but in our system, while sovereign powers are delegated to the agencies of government, sovereignty itself remains with the people, by whom and for whom all government exists and acts. And the law is the definition and limitation of power. It is, indeed, quite true that there must always be lodged somewhere, and in some person or body, the authority of final decision; and in many cases of mere administration, the responsibility is purely political, no appeal lying except to the ultimate tribunal of the public judgment, exercised either in the pressure of opinion, or by means of the suffrage. But the fundamental rights to life, liberty, and the pursuit of happiness, considered as individual possessions, are secured by those maxims of constitutional law which are the monuments showing the victorious progress of the race in securing to men the blessings of civilization under the reign of just and equal laws, so that, in the famous language of the Massachusetts bill of rights, the government of the commonwealth 'may be a government of laws and not of men.' For the very idea that one man may be compelled to hold his life, or the means of living, or any material right essential to the enjoyment of life, at the mere will of another, seems to be intolerable in any country where freedom prevails, as being the essence of slavery itself." [Yick Wo v. Hopkins, [118 U.S. 356](#) (1886)]

3. Creates a society of men and not law, in violation of *Marbury v. Madison* cited earlier.
4. Is a recipe for tyranny and oppression.
5. Creates slavery and involuntary servitude of citizens toward their government, in violation of the [Thirteenth Amendment](#).
6. Creates a "dulocracy", where our public servants unjustly domineer over their sovereign citizen masters:

**"Dulocracy.** A government where servants and slaves have so much license and privilege that they domineer." [Black's Law Dictionary, Sixth Edition, p. 501]

7. Compels "presumption" and therefore violates due process of law.
8. Injures the Constitutional rights of the interested party.

Black's Law Dictionary provides two possible definitions for the word "includes". It can be used as a term of limitation or enlargement:

**"Include.** (Lat. Includere, to shut in. keep within.) To confine within, hold as an inclosure. Take in, attain, shut up, contain, inclose, comprise, comprehend, embrace, involve. Term may, according to context, express an enlargement and have the meaning of and or in addition to, or merely specify a particular thing already included within general words theretofore used. "Including" within statute is interpreted as a word of enlargement or of illustrative application as well as a word of limitation. *Premier Products Co. v. Cameron*, 240 Or. 123, 400 P.2d 227, 228." [Black's Law Dictionary, Sixth Edition, p. 763 (1990)]

Based on the above, the only reasonable interpretation of any statute or code is to include only that which is explicitly spelled out. There are only three ways to define a term in a law:

1. To define every use and application of a term within a single section of a code or statute. Such a definition could be relied upon as a universal rule for interpreting the word defined, to the exclusion, even, of the common definition of the word. Remember that according to the Rules of Statutory Construction, the purpose for defining a word in a statute is to exclude all other uses, and even the common use, from being used by the reader. This is the case with the word "includes" within the Internal Revenue Code, which is only defined in one place in the entire Title 26, which is found in [26 U.S.C. §7701\(c\)](#) . For this type of definition, the word "includes" would be used ONLY as a term of "limitation".
2. To break the definition across multiple sections of code, where each additional section is a regional definition that is limited to a specific range of sections within the code. For this context, the term "includes" is used mainly as a word of "limitation" and it means "is limited to". For instance, the term "United States" is defined in three places within the Internal Revenue Code, and each definition is different:
  - 2.1. [26 U.S.C. §3121](#)
  - 2.2. [26 U.S.C. §4612](#)
  - 2.3. [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10).
3. To break the definition across multiple sections of code, where each additional section ADDS to the definition. For this context, the term "includes" is used mainly as a word of "enlargement", and functions essentially as meaning "in addition to". For instance:

3.1. Code section 1 provides the following definition:

Chapter 1 Definitions  
Section 1: Definition of "fruit"

For the purposes of this chapter, the term "fruit" **shall include** apples, oranges and bananas.

3.2. Code section 10 expands the definition of "fruit" as follows. Watch how the "includes" word adds and expands the original definition, and therefore is used as a term of "enlargement" and "extension":

Chapter 2 Definitions  
Section 10 Definition of "fruit"

For the purposes of this Chapter, the term "fruit" **shall include**, in addition to those items identified in section 1, the following: Tangerines and watermelons.

The U.S. Supreme Court elucidated the application of the last rule above in the case of *American Surety Co. of New York v. Marotta*, 287 U.S. 513 (1933):

*"In definitive provisions of statutes and other writings, 'include' is frequently, if not generally, used as a word of extension or enlargement [meaning "in addition to"] rather than as one of limitation or enumeration. Fraser v. Bentel, 161 Cal. 390, 394, 119 P. 509, Ann. Cas. 1913B, 1062; People ex rel. Estate of Woolworth v. S.T. Comm., 200 App.Div. 287, 289, 192 N.Y.S. 772; Matter of Goetz, 71 App.Div. 272, 275, 75 N.Y.S. 750; Calhoun v. Memphis & P.R. Co., Fed. Cas. No. 2,309; Cooper v. Stinson, 5 Minn. 522 (Gil. 416). Subject to the effect properly to be given to context, section 1 (11 USCA 1) prescribes the constructions to be put upon various words and phrases used in the act. Some of the definitive clauses commence with 'shall include,' others with 'shall mean.' The former is used in eighteen instances and the latter in nine instances, and in two both are used. When the section as a whole is regarded, it is evident that these verbs are not used synonymously or loosely, but with discrimination and a purpose to give to each a meaning not attributable to the other. It is obvious that, in some instances at least, 'shall include' is used without implication that any exclusion is intended. Subsections (6) and (7), in each of which both verbs are employed, illustrate the use of 'shall mean' to enumerate and restrict and of 'shall include' to enlarge and extend. Subsection (17) declares 'oath' shall include affirmation, Subsection (19) declares 'persons' shall include corporations, officers, partnerships, and women. Men are not mentioned. In these instances the verb is used to expand, not to restrict. It is plain that 'shall include,' as used in subsection (9) when taken in connection with other parts of the section, cannot reasonably be read to be the equivalent of 'shall mean' or 'shall include only.' [287 U.S. 513, 518] There being nothing to indicate any other purpose, Congress must be deemed to have intended that in section 3a(1) 'creditors' should be given the meaning usually attributed to it when used in the common-law definition of fraudulent conveyances. See Coder v. Arts, 213 U.S. 223, 242, 29 S.Ct. 436, 16 Ann.Cas. 1008; Lansing Boiler & Engine Works v. Joseph T. Ryerson & Son (C.C.A.) 128 F. 701, 703; Githens v. Shiffler (D.C.) 112 F. 505. Under the common-law rule a creditor having only a contingent claim, such as was that of the petitioner at the time respondent made the transfer in question, is protected against fraudulent conveyance. And petitioner, from the time that it became surety on Mogliani's bond, was entitled as a creditor under the agreement to invoke that rule. Yeend v. Weeks, 104 Ala. 331, 341, 16 So. 165, 53 Am.St.Rep. 50; Whitehouse v. Bolster, 95 Me. 458, 50 A. 240; Mowry v. Reed, 187 Mass. 174, 177, 72 N.E. 936; Stone v. Myers, 9 Minn. 303 (Gil. 287, 294), 86 Am.Dec. 104; Cook v. Johnson, 12 N.J.Eq. 51, 72 Am.Dec. 381; American Surety Co. v. Hattrem, 138 Or. 358, 364, 3 P.(2d) 1109, 6 P.(2d) 1087; U.S. Fidelity & Guaranty Co. v. Centropolis Bank (C.C.A.) 17 F.(2d) 913, 916, 53 A.L.R. 295; Thomson v. Crane (C.C.) 73 F. 327, 331."*  
[*American Surety Co. of New York v. Marotta*, 287 U.S. 513 (1933)]

The only way to eliminate the above types of abuses in the interpretation of law and to oppose such an abuse of authority by a public servant is to demand that the misbehaving "servant" produce a definition of the word somewhere within the code that clearly establishes the thing which he is attempting to "include". If what is included isn't explicitly and unambiguously included in an enacted positive law, then it violates the exclusio rule and due process: To wit:

*"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that **the expression of one thing is the exclusion of another**. Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d 321, 325; Newblock v. Bowles, 170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred**. Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded."*  
[*Black's Law Dictionary, Sixth Edition, page 581*]

For those of you interested in further exhaustive analysis of why the word "includes" is used as a term of limitation rather than enlargement within the Internal Revenue Code, please consult the free pamphlet below:



### 23.1.2 Deception in IRS Publication 519 relating to definition of "United States"

IRS Publication 519, Year 2005, uses the following language to infer that the term "United States" as used in the Internal Revenue Code, includes the 50 states of the Union for the purposes of jurisdiction to tax under Subtitle A of the Internal Revenue Code:

#### *Substantial Presence Test*

*Example. You were physically present in the United States on 120 days in each of the years 2003, 2004, and 2006. To determine if you meet the substantial presence test for 2005, count the full 120 days of presence in 2006, 40 days in 2004 (1/3 of 130), and 20 days in 2003 (1/6 of 120). Because the total for the 30 year period is 180 days, you are not considered a resident under the substantial presence test for 2005.*

*"The term United States includes the following areas.*

- "All 50 states and the District of Columbia."*
- "The territorial waters of the United States"*

*[...]*

*"The term does not include U.S. possessions and territories or U.S. airspace."*

*[IRS Publication 519, Year 2005, p. 4*

*SOURCE: <http://famguardian.org/TaxFreedom/Forms/IRS/IRSPub519-2005.pdf>]*

We have several points to make about the above reference:

- The above cite was added to the publication in about 2004 in an apparent response to the content of this book, as a way to deceive the readers and stop the spread of the nonresident alien position.
- The definition comes from an IRS Publication, which the IRS Internal Revenue Manual admits is UNTRUSTWORTHY and not guaranteed to be accurate:

*"IRS Publications, issued by the National Office, explain the law in plain language for taxpayers and their advisors... While a good source of general information, publications should not be cited to sustain a position."*  
*[I.R.M. 4.10.7.2.8 (05-14-1999)]*

See also:

Federal Courts and the IRS' Own IRM Say IRS is NOT RESPONSIBLE for Its Actions or its Words or For Following Its Own Written Procedures  
<http://famguardian.org/Subjects/Taxes/Articles/IRSNotResponsible.htm>

- The text above is an EXAMPLE which does not infer or imply or specify the context in which it may suitably be used. There are actually THREE and not ONE context in which the term "United States" could be referring to or implied and only one of them is used in the above example, which is the third one listed below:
  - The meaning of the term "United States" within the Internal Revenue Code, Subtitle A.
  - The meaning of the term "United States" within ordinary speech, which most people associate with the COUNTRY to include states of the Union.
  - The meaning of "United States" in the context of jurisdiction over aliens (not "citizens" or "nationals") temporarily present in the country "United States", which in this context includes all 50 states and the District of Columbia.

In the context of item 3.3 above, the U.S. Supreme Court has repeatedly affirmed the plenary power of Congress over aliens in this country, wherever they are located to include areas within the exclusive jurisdiction of states of the Union:

*In accord with ancient principles of the international law of nation-states, the Court in The Chinese Exclusion Case, 130 U.S. 581, 609 (1889), and in Fong Yue Ting v. United States, 149 U.S. 698 (1893), held broadly, as the Government describes it, Brief for Appellants 20, that the power to exclude aliens is "inherent in sovereignty, necessary for maintaining normal international relations and defending the country against foreign encroachments and dangers - a power to be exercised exclusively by the political branches of government . . . ." Since that time, the Court's general reaffirmations of this principle have [408 U.S. 753,*

766] been legion. 6 The Court without exception has sustained Congress' "plenary power to make rules for the admission of aliens and to exclude those who possess those characteristics which Congress has forbidden." Boutilier v. Immigration and Naturalization Service, 387 U.S. 118, 123 (1967). "[O]ver no conceivable subject is the legislative power of Congress more complete than it is over" the admission of aliens. Oceanic Navigation Co. v. Stranahan, 214 U.S. 320, 339 (1909).  
[Kleindienst v. Mandel, 408 U.S. 753 (1972)]

While under our constitution and form of government the great mass of local matters is controlled by local authorities, the United States, in their relation to foreign countries and their subjects or citizens, are one nation, invested with powers which belong to independent nations, the exercise of which can be invoked for the maintenance of its absolute independence and security throughout its entire territory. The powers to declare war, make treaties, suppress insurrection, repel invasion, regulate foreign commerce, secure republican governments to the states, and admit subjects of other nations to citizenship, are all sovereign powers, restricted in their exercise only by the constitution itself and considerations of public policy and justice which control, more or less, the conduct of all civilized nations. As said by this court in the case of Cohens v. Virginia, 6 Wheat. 264, 413, speaking by the same great chief justice: "That the United States form, for many, and for most important purposes, a single nation, has not yet been denied. In war, we are one people. In making peace, we are one people. In all commercial regulations, we are one and the same people. In many other respects, the American people are one; and the government which is alone capable of controlling and managing their interests in all these respects is the government of the Union. It is their government, and in that character they have no other. America has chosen to [130 U.S. 581, 605] be in many respects, and to many purposes, a nation; and for all these purposes her government is complete; to all these objects, it is competent. The people have declared that in the exercise of all powers given for these objects it is supreme. It can, then, in effecting these objects, legitimately control all individuals or governments within the American territory."

[. . .]

"The power of exclusion of foreigners being an incident of sovereignty belonging to the government of the United States as a part of those sovereign powers delegated by the constitution, the right to its exercise at any time when, in the judgment of the government, the interests of the country require it, cannot be granted away or restrained on behalf of any one. The powers of government are delegated in trust to the United States, and are incapable of transfer to any other parties. They cannot be abandoned or surrendered. Nor can their exercise be hampered, when needed for the public good, by any considerations of private interest. The exercise of these public trusts is not the subject of barter or contract."  
[Chae Chan Ping v. U.S., 130 U.S. 581 (1889)]

Therefore, in regard to control over aliens present anywhere within the American confederation, the general government legislates over all the territory of the American Union, including those of the states. Consequently, for the purposes of determining "permanent residence" of aliens ONLY, the term "United States" as used in item 3 above must be interpreted to include the 50 states of the Union as the IRS indicates above. HOWEVER:

1. The Presence Test indicated does not refer to "citizens" or "nationals". The Presence Test is found in 26 U.S.C. §7701(b)(3) and references ONLY "aliens" as defined in 26 U.S.C. §7701(b)(1)(A) and not "nonresident aliens" defined in 26 U.S.C. §7701(b)(1)(B) or "citizens" defined in 26 CFR §1.1-1(c ). Therefore, an alien domiciled in a state of the Union could be a "resident" within the meaning of the presence test while neither a "citizen" nor a "national" would be considered a "resident" under the SAME test when located in the SAME place. Under the I.R.C., one cannot be a "resident" (which is an alien with a domicile) and either a "citizen" or a "national" at the same time. This is confirmed by the Law of Nations, which the Founding Fathers used to write the Constitution:

"Residents, as distinguished from citizens, are aliens who are permitted to take up a permanent abode in the country. Being bound to the society by reason of their dwelling in it, they are subject to its law so long as they remain there, and being protected by it, they must defend it, although they do not enjoy all the rights of citizens. They have only certain privileges which the law, or custom, gives them. Permanent residents are those who have been given the right of perpetual residence. They are a sort of citizens of a less privileged character, and are subject to the society without enjoying all its advantages. Their children succeed to their status; for the right of perpetual residence given them by the State passes to their children."

[Law of Nations, Vattel, p. 87

SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Resident-LawOfNations.pdf>]

2. Remember that the only context in which "residence" is defined or described anywhere in the Internal Revenue Code is in the context of "aliens", and not in the context of either "citizens" or "nationals". See 26 CFR §1.871-2 and section 4 of the article below:

Why Domicile and Becoming a "Taxpayer" Require Your Consent, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

Therefore, a person who is a "national" but not a "citizen" and a "nonresident alien" can NOT have a "residence" as

defined anywhere in the Internal Revenue Code.

3. For the purposes of determining *tax liability and not residency of all persons*, we must defer to the definition of “United States” found in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10), which is limited to federal territory and nowhere expanded in the Internal Revenue Code, Subtitle A to include any other place.

Based on the foregoing, we must conclude that the IRS’ statement above is a deception and a ruse intended to [compel false presumption under the influence of CONSTRUCTIVE FRAUD](#) that will maximize the illegal flow of [PLUNDER](#) to the federal government. It is provided as an example and cannot mean the legal definition of “[United States](#)” used in the Internal Revenue Code. If they wish to imply that ALL THREE of the contexts in which the term “United States” could be used are *the same*, then they should say so and provide statutory and regulatory authority for saying so. Until then, we must defer to the definition of “United States” found within [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10). This is a consequence of the following doctrine of the Supreme Court:

*“Keeping in mind the well-settled rule that **the citizen is exempt from taxation unless the same is imposed by clear and unequivocal language, and that where the construction of a tax law is doubtful, the doubt is to be resolved in favor of those upon whom the tax is sought to be laid.**”*  
[Spreckels Sugar Refining Co. v. McClain, [192 U.S. 297](#) (1904)]

### **23.1.3 You can’t be a “nonresident alien” without also being an “individual” based on 26 CFR §1.1441-1**

**Contention:** Based on reading 26 CFR §1.1441-1(c)(3), it appears that one cannot be a “nonresident alien” without also being an “individual”. That definition appears below:

*26 CFR §1.1441-1 Requirement for the deduction and withholding of tax on payments to foreign persons.*

*(c ) Definitions*

*(3) Individual.*

*(i) Alien individual.*

*The term alien individual means an individual who is not a citizen or a national of the United States. See Sec. 1.1-1(c ).*

*(ii) Nonresident alien individual.*

*The term nonresident alien individual means*

*[1] a person described in section 7701(b)(1)(B),*

*[2] an alien individual who is a resident of a foreign country under the residence article of an income tax treaty and Sec. 301.7701(b)-7(a)(1) of this chapter, or*

*[3] an alien individual who is a resident of Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as determined under Sec. 301.7701(b)-1(d) of this chapter. An alien individual who has made an election under section 6013 (g) or (h) to be treated as a resident of the United States is nevertheless treated as a nonresident alien individual for purposes of withholding under chapter 3 of the Code and the regulations thereunder.*

Now, based on paragraph (ii) above, there are 3 options for being a “Nonresident alien individual”.

1. A person described in 26 U.S.C. §7701(b)(1)(B).
2. An alien individual who is a resident of a foreign country under the residence article of an income tax treaty and 26 CFR §301.7701(b)-7(a)(1) of this chapter.
3. An alien individual who is a resident of Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as determined under 26 CFR §301.7701(b)-1(d) of this chapter.

If we then look at the definition of “Nonresident alien” referenced in item 1 above and found in 26 U.S.C. §7701(b)(1)(B), the definition appears:

[26 U.S.C. §7701\(b\)\(1\)\(B\) Nonresident alien](#)



An individual is a nonresident alien if such individual is neither a citizen of the United States nor a resident of the United States (within the meaning of subparagraph (A)).

Based on the above, it appears that someone cannot be a "nonresident alien" as defined above without also being an "individual".

We can find no evidence to suggest that the words "person" or "individual" have any sinister function or "word of art" operation in Title 26, apart from what it could be construed as. We agree that the definition of "individual" found in the privacy act at 5 U.S.C. §552a(a)(2) is something totally different.

**Rebuttal:** The term "nonresident alien" WITHOUT the word "individual" does not in fact appear in 26 U.S.C. §7701(b)(1)(B). It only appears in the title but not the body of that section. According to 26 U.S.C. §7806(b), the title of a section is NOT considered part of the section.

1. The essence of what it means to be a "nonresident alien" as defined in 26 U.S.C. §7701(b)(1)(B) is that one is neither a citizen nor a resident. "individuals" are one type of status one can have which could be neither a "citizen" nor a "resident", but so are the following:

- 1.1. "transient foreigner".
- 1.2. "stateless person".
- 1.3. "nonresident".
- 1.4. "foreign corporation".

2. The "nonresident alien" referenced in the body of 26 U.S.C. §7701(b)(1)(B) is obviously an "individual" because they are called an individual. Nowhere in the code, however, does it imply or infer that "individuals" are the ONLY types of "nonresident aliens" and you may not presume that this is our case without prejudicing my rights.

3. We claim the status in the TITLE but not the BODY of 26 U.S.C. §7701(b)(1)(B).

4. We claim to be a nonresident but not an "individual" or a "person". Only by having a domicile on federal territory and by engaging in public offices can we be a "person" or "individual" under federal civil law, in fact.

4.1. Being a public officer the only way we can be subject to federal statutory civil law, because the Constitution protects private conduct from regulation or legislation. See:

*Why Your Government is Either a Thief or You are a "Public Officer" for Income Tax Purposes*, Form #05.008  
<http://sedm.org/Forms/FormIndex.htm>

4.2. Having a civil domicile on federal territory is the only thing that can subject a human being to exclusive federal jurisdiction, and there is no subject matter jurisdiction within a state over any federal franchise, including the "trade or business" franchise:

*Why Domicile and Becoming a "Taxpayer" Require Your Consent*, Form #05.002  
<http://sedm.org/Forms/FormIndex.htm>

4.3. An example of a "nonresident" but not an "individual" is someone who lives in China and does not maintain a domicile or residence in the "United States\*\*", which is defined as federal territory and no part of any state of the Union within 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d). Someone who has never physically been to the "United States\*\*" federal territory, furthermore cannot have a domicile or residence there and therefore cannot be a "person" or "individual".

5. The only way one can be a nonresident and still be "subject" to that code section is to make a voluntary election to engage in commerce with the sovereign and thereby:

- 5.1. Consensually waive sovereign immunity under the Foreign Sovereign Immunities Act, 28 U.S.C. §1605(a)(2).
- 5.2. Become an "individual" and a "person".
- 5.3. Become a "subject", "citizen", or "resident" under the civil law.

6. One can't lawfully become a "person" or "individual" under the I.R.C. unless they:

- 4.2 Started out as an alien. All "individuals" are aliens...AND
- 4.3 Voluntarily consented to engage in commerce with the government.

7. Only by consent under the civil law can one become a "person" or an "individual", because:

- 7.1. We can't lawfully be compelled to contract with the government by engaging in commerce or participating in franchises such as the "trade or business" franchise. Governments are established, in fact, to protect your right to both contract and NOT contract. See Article 1, Section 10 of the U.S. Constitution, for instance. Therefore, they can't force me to contract with them by forcing me to participate in a franchise that I don't consent to participate in or accept the "benefits" of.

7.2. The First Amendment guarantees us a right of freedom from compelled association. How I describe and define

MY OWN status is the mechanism by which I choose to associate or disassociate with any political group, including a "state" or a "government", and I can't be compelled to associate.

This is covered in:

[Your Exclusive Right to Declare or Establish Your Civil Status](http://sedm.org/Forms/FormIndex.htm), Form #13.008  
<http://sedm.org/Forms/FormIndex.htm>

8. Since we do all the following, then we can't be anything directly addressed or defined in the code.
  - 8.1. Do not waive sovereign immunity.
  - 8.2. Do not consensually engage in commerce or accept any government "benefit" and thereby become a "public officer". All "public officers" are people responsible for managing GOVERNMENT property and those in receipt of government "benefits" are in receipt of government property.
  - 8.3. Do not have a domicile on federal territory.
  - 8.4. Identify every commercial benefit they bestow as a gift that creates no obligation. This is the same thing they do to "taxpayers". Everything you pay to them under employment withholding is a gift. See [Great IRS Hoax](#), Form #11.302, Section 5.6.8.
  - 8.5. Notify them that my consent must ONLY be procured in writing in order for me to waive sovereign immunity. See [Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States](#), Form #10.001. This is the same thing they do to you: when you want to sue them, you have to produce a statute authorizing a waiver of sovereign immunity. If our government is one of delegated powers, then I must be able to demand the same dignity from them under the concept of equal protection of the law.
9. A "nonresident alien" who isn't an "individual" is not defined in the I.R.C. but is referenced in the I.R.C. Therefore, that is the status we claim, which is that of an entity that isn't directly defined in the code and therefore not subject to it.

*"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that the expression of one thing is the exclusion of another. Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d 321, 325; Newblock v. Bowles, 170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred. Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded."*  
[Black's Law Dictionary, Sixth Edition, p. 581]

10. If you want to avoid all the word games, just call oneself a nonresident and a "foreigner" but not a "foreign person", "person", "individual", "nonresident alien individual", "alien individual", or any other entity described in the code as either having a liability or accepting a "benefit", or engaging in commerce. To be "sovereign" simply means you don't appear in the code and therefore are "foreign" and not subject to it or the jurisdiction of the government. This is covered in:

[Path to Freedom](http://sedm.org/Forms/FormIndex.htm), Form #09.015, Section 5  
<http://sedm.org/Forms/FormIndex.htm>

It's all about commerce and the purpose of the code is to facilitate commerce with The Beast, which the Bible says in Rev. 19:19 is the government. The only thing the code can or does talk about are those who consent to contract with the Beast and thereby become "individuals", "subjects", "citizens", and "residents" under the civil law by virtue of that fornication. The sovereign isn't subject to the law but foreign to it. If you don't consent to fornicate with or contract with The Beast, then you don't appear in the code and don't have any of the statuses in the code, but rather are a "foreign estate" pursuant to 26 U.S.C. 7701(a)(31). All franchises are contracts and "private law" that can only affect the consenting parties, including the "trade or business" franchise that is the heart of the income tax. Contracts and the consent they represent are the ONLY lawful way the government can acquire ANY right to your private property. Otherwise, the property is private property and governments are established to protect private property. The main method they protect such property is to protect you from being compelled to convert it into public property or other people's property. In tax law, this conversion is called converting private property to a public use, public purpose, and a public office. The process of taxation accomplishes this conversion, but only by the consent of the owner in applying for a license to engage in a franchise.

We can be the thing described in the TITLE of a section without being the thing described in the BODY, and the two are not considered subsets of each other per 26 U.S.C. §7806. The fact that something is not defined in the code does not mean that it doesn't exist, but rather means that it isn't subject and therefore is sovereign and foreign in respect to that body of PRIVATE law. The "sovereign" they are referring to below is a "nonresident alien" in this case because he is not the subject of the law in question:

1 "Since in common usage the term 'person' does not include the sovereign, statutes employing that term are  
2 ordinarily construed to exclude it."  
3 [U.S. v. Cooper, 312 U.S. 600, 604, 61 SCt 742 (1941)]

4 Everything we just said is already covered in sections 2 and 4 of this document.

## 5 **23.2 Tax and accounting profession objections**

6 "A government which robs Peter to pay Paul can always depend on the support of Paul."

7 The tax preparation, accounting, financial planning, payroll, government, and legal professions absolutely HATE the  
8 Nonresident Alien Position with a vengeance and will try to steer you away from it. They will also try to make sure you  
9 don't know why they don't like it and will go out of their way not to admit why they don't like it. There are many reasons  
10 for this that have absolutely nothing with the validity of the position and have far more to do with "bringing home the  
11 bacon" and avoiding "cognitive dissonance" for these so-called "professionals". As you have already learned, those who  
12 use the Nonresident Alien Position:

- 13 1. May not claim ANY deductions or include a Schedule C with their return.
- 14 2. May not file a 1040 form and instead must file the 1040NR form.
- 15 3. Do not file at an IRS service center in their District Office, but instead file at the International Branch in Philadelphia,  
16 Pennsylvania.
- 17 4. May not apply for Earned Income Credit.
- 18 5. May not apply a graduated rate of tax to their earnings.
- 19 6. Must pay a flat 30% tax upon earnings originating from within federal territory or the U.S. government if they have  
20 passive income.
- 21 7. Do not have to file W-4 or W-4 Exempt forms, but instead file W-8BEN forms to prevent payroll withholding.
- 22 8. Do not and should not get W-2 forms at the end of the year, because they earn no reportable "wages" or "trade or  
23 business" earnings.
- 24 9. Should not receive 1099 forms at the end of the year, unless they work for the federal government within exclusive  
25 federal jurisdiction and are engaged in a "trade or business".

26 The thing that tax, accounting, and legal professionals absolutely hate about the Nonresident Alien Position is that:

- 27 1. Since there is no payroll withholding, then payroll clerks feel useless and we need far fewer of them.
- 28 2. Since there are no deductions or creative ways to reduce "taxable income", then tax and financial planners feel useless  
29 and we need far fewer of them.
- 30 3. Since it is VERY simple, then you don't need a lawyer to figure it out. Therefore, all those smart people who make a  
31 living trying to outsmart the lawyers in Washington would have to find more productive things to do.
- 32 4. It would cause both state and federal government revenues to go down, so employees in the government, and especially  
33 judges whose retirement would be adversely affected, don't like it. Who wants their federal pension reduced?
- 34 5. Implementing it fully would drastically reduce the number of "taxpayers". Therefore the IRS isn't going to buy off on  
35 it because most Revenue Officers would be laid off if it was fully implemented.

36 What the above list clearly shows is that there are a lot of people in the financial, tax, accounting, payroll, and government  
37 arenas who benefit HUGELY from keeping things the way they are and expanding the operation of the de facto unjust and  
38 fraudulent system we have now. Just the government alone collects hundreds of billions of dollars a year from "donations"  
39 that it deceitfully calls "taxes" through this fraud. That's called a conflict of interest and its against the law. 18 U.S.C.  
40 §208 makes such a conflict of interest a crime in the case of a federal employee, and 18 U.S.C. §201(b)(3) makes it a  
41 federal crime to bribe a witness or testify as a bribed witness in a federal court. Anyone who is called as a witness in a  
42 federal trial who is involved in any one of these professions and is asked to comment on the Nonresident Alien Position in  
43 court would therefore have to recuse themselves because of severe conflict of interest. The only people who would make  
44 suitable witnesses are those who don't benefit from the fraudulent system we have now. We would venture to say that it is  
45 precisely this kind of conflict of interest that has not only protected, but expanded the illegal operation of the Internal  
46 Revenue Code within our society.

47 In short, if the Nonresident Alien Position were widely understood and implemented, then most of the people who presently  
48 work as payroll clerks, tax preparers, accounting professionals, financial planners, tax lawyers, or do financial services  
49 would simply find themselves out of work! In effect, they would be punishing themselves for being honest and honorable



1 by telling the truth about the fraud or by recognizing or helping those who spread the truth. Who in their right mind who  
2 has one of these jobs would want to encourage employees, investors, clients, or loyal but ignorant “taxpayers” to help them  
3 get fired or laid off?

4 We have spoken with several people who work in the financial services and legal professions and who stumbled on our  
5 website and this free pamphlet. Many of them have spent their whole life learning how to teach “taxpayers” to reduce their  
6 presumed “liability”, never once questioning whether there really was a legal “liability” or whether the Internal Revenue  
7 Code was even a “law” they had to follow! After they have read and studied our research and learned the truth for  
8 themselves, they find themselves in a very conflicted position. People who work in these professions frequently must  
9 maintain a fiduciary relationship with their clients which causes them to feel a strong sense of moral duty to do what is best  
10 for their clients. This leads them to want to share the truths in this book with their clients, coworkers, friends, and family,  
11 as we recommend that they should do. The result is a serious mental conflict, summarized with the questions below:

- 12 1. How can I admit to all my clients that I have been doing something illegal and morally wrong for my whole life that
- 13 has seriously hurt ALL of my clients?
- 14 2. How can I claim to be an “expert” to my clients after having just learned that I have overlooked something so simple
- 15 and obvious for so many years?
- 16 3. How can I educate my clients about the truth and not look like a psycho who is off his rocker? Will my boss ask me to
- 17 see a psychologist?
- 18 4. How can I continue to pretend that my clients are “taxpayers” who need my help when I know they aren’t? I can’t
- 19 sleep at night telling them they are “taxpayers” who need my help while knowing full well that it isn’t true.
- 20 5. Will I lose my CPA license, or my Certified Financial Planner certificate, or my license to practice law by
- 21 implementing these truths in my profession on a large scale?
- 22 6. Would my income or employability be adversely affected if I decided to tell the truth to my clients about this fraud?
- 23 How can I pay my bills and support my family and still earn an honest living?
- 24 7. Would my friends and professional colleagues think less of me because I have different opinions and ideas about
- 25 important matters?
- 26 8. Will the knowledge that I have cause conflicts in the office with my coworkers and eventually cause me to have to be
- 27 terminated?
- 28 9. What are the appropriate circumstances in which I can discuss this with my coworkers and friends while still avoiding
- 29 conflict and controversy?

30 Frequently, when loyal readers of our materials have learned the truths in this book and attempted to fully implement them  
31 in their personal lives, they are often treated with skepticism and mistrust by friends, family, coworkers, government, and  
32 clients, all of whom have been so brainwashed by the public schools, the government, and a government-controlled media  
33 to believe what amounts to a monumental LIE. In some cases, their whole world is turned upside down, because they  
34 realize they have been part of a lie for the better part of their whole life. No doubt, this prospect can be quite disturbing.  
35 Nevertheless, we have a great commission from God as His followers and servants to love our neighbor, and those who  
36 love want to educate and share the truth with those they love, as we do here. Education is how we protect and empower  
37 both our children, our friends, family, and business associates, and it MUST be done, no matter the consequences or cost.

38 *“Love suffers long and is kind; love does not envy; love does not parade itself, is not puffed up; does not*  
39 *behave rudely, does not seek its own, is not provoked, thinks no evil; does not rejoice in iniquity, but rejoices*  
40 *in the truth; bears all things, believes all things, hopes all things, endures all things.”*  
41 *[1 Cor. 13:4-7, Bible, NKJV]*

42 In the above passage, “rejoice in truth” means to share it with everyone. Jesus confirmed this by His example, when he  
43 said:

44 *“What I tell you now in the darkness, shout [from websites like this one] abroad when daybreak comes. What*  
45 *I whisper in your ears, shout from the housetops for all to hear [and on websites like ours one that are*  
46 *outside of government jurisdiction]!”*

47 *“Don’t be afraid of those who want to kill you [because you do this]. They can only kill your body; they cannot*  
48 *touch your soul. Fear [and obey] only God [and His laws, not the government’s unless they are consistent*  
49 *with God’s laws], who can destroy both soul and body in hell. Not even a sparrow, worth only half a penny,*  
50 *can fall to the ground without your Father knowing it. And the very hairs on your head are all numbered. So*  
51 *don’t be afraid; you are more valuable to him than a whole flock of sparrows.”*  
52 *[Jesus in Matt. 10:16-31, Bible, New Living Translation]*

1 Along these lines, someone sent us the following very pertinent joke that we repeat here:

2 *One Sunday morning during service, a 2,000 member congregation was surprised to see two men enter, both*  
3 *covered from head to toe in black and carrying submachine guns. One of the men proclaimed, "Anyone willing*  
4 *to take a bullet for Christ remain where you are."*

5 *Immediately, the choir fled, the deacons fled, and most of the congregation fled. Out of the 2,000 there only*  
6 *remained around 20.*

7 *The man who had spoken took off his hood, looked at the preacher and said "Okay Pastor, I got rid of all the*  
8 *hypocrites. Now you may begin your service. Have a nice day!" And the two men turned and walked out.*

9 While reading newspaper editorials urging the elimination of the Alternative Minimum Tax (AMT), we were struck by the  
10 ease with which many Americans, including financial planners and editors of newspapers, embrace the idea that the country  
11 has become utterly corrupt as a consequence of the way our income tax system is administered by the IRS. The regimen of  
12 the AMT-- which requires some to use harsher rules than others when calculating their 'contribution'-- would obviously be  
13 unconstitutional if it were imposed as part of a compulsory tax system. Still, it is clear that a majority of the population still  
14 falsely believe that it is so imposed. A diligently cultivated fear of the IRS has successfully torn the fabric of reason in  
15 many minds, allowing these two contradictory concepts-- a compulsory legal duty imposing unequal legal obligations-- to  
16 co-exist.

17 Clearly, one or the other of these two things-- the Constitutional requirement of equal treatment by the law; or that the  
18 progressive rate tax system (of which the AMT is a part) is compulsory-- must be untrue. Just as clearly, the one that must  
19 be untrue is that the tax "scheme" of which the AMT is a part is compulsory. There can be no question about the  
20 unconstitutionality of unequal treatment by the law. Little, if anything, could be more offensive to our most fundamental  
21 principles than unequal treatment.

22 In fact-- despite the apparent willingness of the general public to entertain the contradiction without objection-- what must  
23 be so, is indeed so. The U.S. Supreme Court has routinely and definitively declared the income tax to apply solely to the  
24 receipts from a very limited list of wholly optional activities, all of which involve either a "trade or business" or foreign  
25 commerce. It is only those who choose to engage in those avoidable taxable activities-- all connected with, and involving  
26 payments by the federal government-- who are potentially subject to what would otherwise be an illegal tax scheme. The  
27 words of the tax code themselves acknowledge this limited scope.

28 Nonetheless, this conformity to reality is carefully concealed from casual view by tax, accounting, financial, payroll, legal  
29 professionals, and the IRS. The relevant rulings by the high court were issued long ago. In the meantime, there has been a  
30 dedicated campaign conducted by the beneficiaries of ignorance-- such as CPA's, tax attorneys, IRS agents, and politicians--  
31 - to consign those rulings to the memory hole and to discourage open-eyed public consideration of the subject in general.  
32 Despite the natural American skepticism toward assertions issuing from such clearly self-interested parties, it has been a  
33 successful campaign. The fear factor alluded to above, whereby any contemplation of the income tax is compromised with  
34 irrationality and an instinctive urge to move on, is an important contributor to that success.

35 Another is the fragmenting of the actual taxing statutes in the Internal Revenue Code into near incoherence in the 'code' by  
36 which they are now exclusively presented to the public. While those statutes plainly acknowledge the limitations of their  
37 scope, they have been cleverly disassembled, scattered, and intermingled in that code-- even to the point of extracting  
38 individual sentences from certain sections and placing them thousands of words away into the company of language from  
39 other sections. As a consequence, portions of the code-- when carefully excerpted and presented out of context-- appear to  
40 claim for the law a scope which it clearly cannot have. In fact, the I.R.C. DOES NOT have such a scope because the code  
41 itself not only is not law, but cannot be law precisely because of the unequal treatment that it produces. These excerpts are  
42 waved under the noses of the rare souls who overcome the fear to the point of questioning the beneficiaries of the  
43 misunderstanding. They serve to provide some inquirers (who are really looking for no more) with an excuse to claim  
44 satisfaction and scamper away with relief. More purposeful doubters are also often dissuaded thereby: Faced with the  
45 labyrinth of baffling nonsense which such I.R.C. excerpts reflect, many conclude that to sort through to the truth would be  
46 more expensive than simple surrender.

47 It can be hoped that the errors defended by such dolus and cheap tricks-- and the depressing loss of civic self-respect to  
48 which they lead-- will not long survive the American predisposition to straight talk and simple truth now that we have  
49 entered the information age. However, the newspaper editorials which stimulated this commentary appeared in one of the

1 nation's major daily newspapers, and, though critical of the unfairness of the AMT, clearly took for granted that it is  
2 compulsory. Thus, even though the road back might be a digital superhighway, it will be climbing a hill.

3 The absurd argument used to defend the AMT-- and progressivity in general, for that matter-- reveals the illegitimacy of its  
4 client concept. In a nutshell, that argument is: Since the same unequal treatment is applied to every target who reaches the  
5 same special circumstances, the treatment actually IS equal. This is like declaring that if a law dictates that EVERY 45-  
6 year-old redhead named Joe Smith in Cheyenne, Wyoming, is to be taxed at a 99% rate (unlike everyone else, who will  
7 simply be subsidized thereby), red-headed 45-year-old Mr. Smith of Cheyenne is thus afforded equal treatment under the  
8 law. After all, any other red-headed 45-year-old of the same name who moves to Cheyenne will also be so taxed. Mr.  
9 Smith simply loses 'life's lottery', so to speak. At least it will only be one year of outrage for Mr. Smith, because next year  
10 he will be 46. Unless the "law" is changed, of course...

11 The reality of the AMT-- or any other form of progressivity including that associated with a "trade or business"-- is that  
12 citizen 'A' is taxed \$15 per \$100 taken in, while citizen 'B' is charged \$20 (to pick numbers solely for purposes of  
13 illustration). All the nonsense about the first, as opposed to the second, increment of earnings; margins; rates-on-the-next-  
14 dollar-earned, etc.; is nothing but an effort by the beneficiaries of the status quo to obscure this raw reality, and what would  
15 otherwise be the obvious fact that the tax thus imposed is not, and cannot be, compulsory because unequal. That is, while  
16 the tax IS compulsory in regard to the highly specialized activities upon which it is actually imposed, those highly  
17 specialized activities are entirely optional to any American. Unequal imposition of a tax on optional, voluntary activities is  
18 perfectly lawful-- if you don't like it, you don't have to participate in the activities. But such a tax cannot be (and is not)  
19 imposed on the routine-- and unavoidable-- exercise of the (untaxable-in-any-case) right to earn money, engage in  
20 contracts, etc..

21 It is by taking advantage of nuances of this sort that beneficiaries of the "income" tax scheme in the government, tax,  
22 accounting, payroll, and legal professions are able to innocently but disingenuously declare that,

23 *"Of course the income tax is compulsory!"*

24 ...while still concealing the truth by failing to explain words of art legal definitions of the term "income" and "United  
25 States" within federal revenue law. An example will serve to illustrate: If Congress were to pass legislation which included  
26 sections specifying that,

27 *"For purposes of this act, "breathing" means selling hot-dogs from the steps of the capital building", and,*

28 *"There is hereby imposed a \$10 annual tax on breathing"*

29 ...it could then be said with a straight face that there is a compulsory tax on breathing, but it still wouldn't mean that every  
30 American is thus involuntarily obliged to pony up \$10 every year for the taking in of air. The construction and the  
31 presentation of the "income" tax is of precisely this character. The square peg actually has a square hole to match, and the  
32 law as written is not in irreconcilable conflict with the Constitution. But don't rely on the beneficiaries of misunderstanding  
33 in the government, tax, legal, payroll, or financial industries to make this clear.

### 34 **23.3 Objections of Friends**

35 *"Prejudices, it is well known, are most difficult to eradicate from the heart whose soil has never been loosened*  
36 *or fertilized by education; they grow there, firm as weeds among stones. "*  
37 *[Charlotte Bronte]*

38 Friends or family members may, in their legal ignorance, try to convince you that the nonresident alien position described  
39 in this pamphlet is simply wrong. This reaction will usually be the result of

- 40 1. The "cognitive dissonance" created by describing yourself as a type of "alien" in your own country.
- 41 2. Their ignorance about the Separation of Powers Doctrine, or the fact that the states of the Union are "foreign" and the  
42 equivalent of foreign countries for the purposes of most federal jurisdiction.
- 43 3. The lack of Constitutional training in the public schools system.
- 44 4. The complete lack of any teaching about law in the public schools.

45 This knee-jerk argument comes up quite a bit in reference to the Nonresident Alien Position as a way to discourage people



from using it. It has a lot of variations and is usually based on a simplistic and inadequate understanding of the applicable law relating to nonresident aliens. For instance, some people will say that filing as a nonresident alien carries more potential for “liabilities”, as shown in [26 U.S.C. §1461](#), which makes persons who are deducting and withholding on nonresident aliens liable as follows:

[26 U.S.C. §1461](#) *Liability for withheld tax*

*Every person required to deduct and withhold any tax under this chapter is hereby made liable for such tax...*

But the fact of the matter is, the persons who are paying, and therefore withholding, such income in most cases under Subtitle A of the I.R.C. work for the U.S. government, and of course the federal government can make its own employees liable for not following federal law! Not only that, but under the provisions of [44 U.S.C. §1505\(a\)\(1\)](#), the federal government doesn’t even need implementing regulations to govern its own employees. No one who works for a private employer outside of the federal zone would ever be in the position of paying “U.S. source income” (a code word for government payments) to a nonresident alien so no one else would need to worry about liability for deducting and withholding of such income.

Just like any other activity in life, ignorance will hurt you, and this is especially true of Internal Revenue Code. The Nonresident Alien Position (NAP), like virtually anything, can and probably will mean trouble if you don’t know what you are doing or you haven’t taken the time to do your homework, and there is more homework to do with this position because it is more unfamiliar to most people and because most people don’t like to study the law. That’s why we took the time to include section 14, which describes the legal responsibilities of nonresident aliens. The underlying legal issues of the nonresident alien position, however, are very simple. A fairly small amount of legal research is necessary to understand the nonresident alien position, but most people never conquer their fear of the law or the IRS publications long enough to learn that it’s actually the better position.

Criticism of the nonresident alien position usually falls into the following three categories:

1. **There is a knee jerk reaction to the use of the word “alien” to describe them, because they incorrectly think they are “U.S. citizens” who couldn’t possibly be “aliens”.** As explained in section 16.1, you can be a “nonresident alien” and not an “alien” as the terms are defined in the tax code, and this circumstance was created deliberately by the Congress who wrote our tax code to steer people away from using the “nonresident alien” position, since in most cases it completely eliminates their federal tax liability. A more correct and accurate name for “nonresident alien” in the tax code would have been “Nonresident foreigner” and then to describe “nationals” as foreigners in the tax code. This use of terms, however, would have required the government to define the meaning of “foreign”, which would have exposed the fraud that perpetuates the whole system and keeps people paying, so they must have decided not to name it honestly. That is why nowhere in the Internal Revenue Code is the term “foreign” defined: they simply don’t want you to know what it means. The closest thing we have to a definition of “foreign” is found in [26 U.S.C. §7701\(a\)\(5\)](#), which defines a “foreign corporation”, but not the word “foreign”.
2. **If they are low income, people think that by filing as nonresident aliens, they will end up paying a higher tax rate as a percentage, and they don’t like that.** Nonresident aliens use the 1040NR form and IRS publications falsely say to pay a flat rate of 30% for income from without the United States as defined in [26 U.S.C. §871\(a\)](#), while those who file a 1040 form as “U.S.\*\* citizens” and/or residents pay a graduated rate that is usually lower than 30% unless they are high income earners and which is described in [26 U.S.C. §871\(b\)](#). They overlook the fact that 26 CFR §1.861-8(f)(1)(iv) limits federal income taxes to only commerce “effectively connected with a trade or business”, which is to say that it is income from a public office. Therefore, because people have not taken the time to research what the law says it means to be a nonresident alien and rely on the misleading (at best, fraudulent at worst) IRS publications, they never learn that being a nonresident alien means they non longer owe any tax in most cases! Isn’t that the result everyone wants?
3. **Confusion over the definition of the term “United States” in 26 U.S.C. §7701(a)(9) and “employee” in 26 U.S.C. §3401(c).** Since most people never take the time to understand that “United States” means the federal zone in the context of the Internal Revenue Code, they don’t realize that being a nonresident alien is actually a good thing, because it only taxes “U.S.” (federal zone) source income connected with a “trade or business”, which means income from federal government public office ONLY that falls under 26 CFR § 1.861-8(f), and most people don’t have any income from sources in this regulation, but they think they do because they never take the time to understand the 861 position. Since most people do not realize that [26 U.S.C. §3401\(c\)](#) and 26 CFR § 31.3401(c)-1 define “employee” to mean a person holding “public office” in the United States government, then they don’t realize that the only employer is Uncle Sam in the Internal Revenue Code, so they mistakenly reach the conclusion that they are federal employers who are

liable to withhold taxes on nonresident aliens under [26 U.S.C. §1461](#)!

Quite to the contrary, the nonresident alien position is the best position to be in, and is far better than being a “U.S. Individual” indicated in the upper left corner of the 1040 form because:

1. You are not a statutory “U.S. citizen” with a domicile on federal territory, so you are no longer subject to the territorial or subject matter jurisdiction of the federal courts under the Internal Revenue Code. This immunizes you against legal actions by the IRS to extort, levy, lien, or seize taxes out of you that you aren’t liable for.
2. Although the tax rate looks like it is supposed to be a flat 30% as indicated in [26 U.S.C. §871\(a\)](#), most people do not hold public office (“trade or business”) and therefore have no taxable [federal] U.S.\*\* source income.
3. The [IRS Form W-8](#) or [W-8BEN](#) allows you to get away without using SSN’s. You therefore don’t need to use social security numbers on any of your financial accounts, which improves your privacy and financial security and also makes it harder for the IRS and creditors to locate your assets. There is no lawful way for Congress to require nonresident aliens who are domiciled outside of their jurisdiction to have federal ID numbers, because federal law does not reach outside of the federal zone.
4. You can file a [W-8](#) or [W-8BEN](#) form to stop employment tax withholding instead of a W-4 form, and because there are no penalties for false W-8’s like there are for [W-4’s](#) (\$500), then the IRS can’t do a damn thing to fine or punish you if they find out you stopped withholding because you are outside of their territorial jurisdiction.
5. The [W-8](#) and [W-8BEN](#) form, as well as the [1040NR forms](#) that you file as a nonresident alien violate the Paperwork Reduction Act and the Privacy Act, as was pointed out in section 5.5.9 of the *Great IRS Hoax*, Form #11.302, which provides a strong argument and defense against even being obligated to complete these forms and submit them to the IRS. These forms violate the Privacy Act because they do not tell whether they are “voluntary” or “mandatory” and they don’t say so because the IRS doesn’t want you to know they are “voluntary” so they don’t tell you anything!
6. The clerks who process the [1040NR forms](#) are far more familiar with the taxable source rules under [26 U.S.C. §861](#) and 26 CFR §1.861-8(f) than those who process the 1040 forms, and are therefore far more likely to believe you when you say you have no taxable “U.S. source” income on your [1040NR form](#).

**WARNING: Use of the new IRS [W-8BEN](#) form is hazardous to your financial health if you aren’t very careful about how you fill it out! IRS has made this new form, which replaces the [W-8](#), very tricky to fill out without creating false presumptions that might incriminate you. Family Guardian has therefore have included detailed warnings and instructions for filling it out in section 1.5.3.13 of the *Sovereignty Forms and Instructions Manual*, Form #10.005 that will hopefully keep you out of trouble.**

## 23.4 Legal Profession Objections: Dual sovereignty

The most frequent argument AGAINST the content of this document from people in the legal profession relates to the concept of “dual sovereignty”, whereby lawyers will say that people domiciled in a state of the Union are subject to TWO legislative jurisdictions, and not one. Then they will quote the following:

*"The laws of the United States are laws in the several States, and just as much binding on the citizens and courts thereof as the State laws are. The United States is not a foreign sovereignty as regards the several States, but is a concurrent, and, within its jurisdiction, paramount sovereignty. Every citizen of a State is a subject of two distinct sovereignties, having concurrent jurisdiction in the State,-concurrent as to place and persons, though distinct as to subject-matter."*  
[*Claflin v. Houseman*, 93 U.S. 130, 136 (1876)]

*"And the powers of the General Government, and of the State, although both exist and are exercised within the same territorial limits, are yet separate and distinct sovereignties, acting separately and independently of each other, within their respective spheres."*  
[*Ableman v. Booth*, [62 U.S. 506](#), 516 (1858)]

Can two entities be simultaneously sovereign over a single geographic region and the same subject matter? Let’s investigate this intriguing matter further, keeping in mind that such controversies result from a fundamental misunderstanding of what “sovereignty” really means.

We like to think of the word “sovereignty” in the context of government as the combination of “exclusive authority” with



“exclusive responsibility”. The Constitution in effect very clearly divides *authority* and *responsibility* for specific matters between the states and federal government based on the specific subject matter, and ensures that the functions of each will never overlap or conflict. It delegates certain powers to each of the two sovereigns and keeps the two sovereigns from competing with each other so that public peace, tranquility, security, and political harmony have the most ideal environment in which to flourish.

If we therefore examine the Constitution and the Supreme court cases interpreting it, we find that the complex division of authority that it makes between the states and the federal government accomplishes the following objectives:

1. Delegates primarily **internal** matters to the states. These matters involve mainly public health, morals, and welfare and require exclusive legislative authority within the state.

“While the states are not sovereign in the true sense of that term, but only quasi sovereign, yet in respect of all powers reserved to them they are supreme-as independent of the general government as that government within its sphere is independent of the States.’ The Collector v. Day, 11 Wall. 113, 124. And since every addition to the national legislative power to some extent detracts from or invades the power of the states, it is of vital moment that, in order to preserve the fixed balance intended by the Constitution, the powers of the general government [298 U.S. 238, 295] be not so extended as to embrace any not within the express terms of the several grants or the implications necessarily to be drawn therefrom. It is no longer open to question that the general government, unlike the states, Hammer v. Dagenhart, 247 U.S. 251, 275 , 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, possesses no inherent power in respect of the internal affairs of the states; and emphatically not with regard to legislation. The question in respect of the inherent power of that government as to the external affairs of the Nation and in the field of international law is a wholly different matter which it is not necessary now to consider. See, however, Jones v. United States, 137 U.S. 202, 212 , 11 S.Ct. 80; Nishimur Ekiu v. United States, 142 U.S. 651, 659 , 12 S.Ct. 336; Fong Yue Ting v. United States, 149 U.S. 698 , 705 et seq., 13 S.Ct. 1016; Burnet v. Brooks, 288 U.S. 378, 396 , 53 S.Ct. 457, 86 A.L.R. 747.”  
[Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936)]

“Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive power; and the same observation is applicable to every other power of Congress, to the exercise of which the granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.

But very different considerations apply to the **internal commerce** or **domestic trade** of the States. Over this commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs **exclusively** to the States. **No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the legislature.** The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing subjects. Congress cannot authorize a trade or business within a State in order to tax it.”  
[License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]

2. Delegates primarily **external** matters to the federal government, including diplomatic and military and postal and commerce matters. These include such things as:
  - 2.1. Article 1, Section 8, Clause 3 of the constitution authorizes the feds to tax and regulate foreign commerce and interstate commerce, but not intrastate commerce.
  - 2.2. Article 1, Section 8, Clauses 11-16 authorize the establishment of a military and the authority to make war.
  - 2.3. Article 1, Section 8, Clause 4 allows the fed to determine uniform rules for naturalization and immigration from outside the country. However, it does not take away the authority of states to naturalize as well.
3. Ensures that the same criminal offense is never prosecuted or punished twice or simultaneously under two sets of laws.

“Consequently no State court will undertake to enforce the criminal law of the Union, except as regards the arrest of persons charged under such law. It is therefore clear, that the same power cannot be exercised by a State court as is exercised by the courts of the United States, in giving effect to their criminal laws...”

“There is no principle better established by the common law, none more fully recognized in the federal and State constitutions, than that an individual shall not be put in jeopardy twice for the same offense. This, it is true, applies to the respective governments; but its spirit applies with equal force against a double punishment, for the same act, by a State and the federal government....



1           *Nothing can be more repugnant or contradictory than two punishments for the same act. It would be a*  
2           *mockery of justice and a reproach to civilization. It would bring our system of government into merited*  
3           *contempt."*  
4           *[Fox v. The State of Ohio, 46 U.S. 410, 5 Howard 410, 12 L.Ed. 213 (1847)]*

- 5       4. Ensures that the two sovereigns never tax the same objects or activities, because then they would be competing for  
6       revenues.

7           *"Two governments acting independently of each other **cannot** exercise the same power for the same object."*  
8           *[Fox v. The State of Ohio, 46 U.S. 410, 5 Howard 410, 12 L.Ed. 213 (1847)]*

9       As far as the last item above goes, which is that of taxation, however, the U.S. Supreme Court has stated:

10           *"The States, after they formed the Union, continued to have the same range of taxing power which they had*  
11           *before, barring only duties affecting exports, imports, and on tonnage. 2 Congress, on the other hand, to lay*  
12           *taxes in order 'to pay the Debts and provide for the common Defence and general Welfare of the United States',*  
13           *Art. 1, Sec. 8, U.S.C.A.Const., can reach every person and every dollar in the land with due regard to*  
14           *Constitutional limitations as to the method of laying taxes."*  
15           *[Graves v. People of State of New York, 306 U.S. 466 (1939)]*  
16

17           *"The difficulties arising out of our dual form of government and the opportunities for differing opinions*  
18           *concerning the relative rights of state and national governments are many; **but for a very long time this court***  
19           ***has steadfastly adhered to the doctrine that the taxing power of Congress does not extend to the states or***  
20           ***their political subdivisions.** The same basic reasoning which leads to that conclusion, we think, requires like*  
21           *limitation upon the power which springs from the bankruptcy clause. United States v. Butler, supra."*  
22           *[Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513; 56 S.Ct. 892 (1936)]*  
23

24           *"The grant of the power to lay and collect taxes is, like the power to regulate commerce, made in general*  
25           *terms, and has never been understood to interfere with the exercise of the same power by the State; and*  
26           *hence has been drawn an argument which has been applied to the question under consideration. But the two*  
27           *grants are not, it is conceived, similar in their terms or their nature. Although many of the powers formerly*  
28           *[22 U.S. 1, 199] exercised by the States, are transferred to the government of the Union, yet the State*  
29           *governments remain, and constitute a most important part of our system. The power of taxation is indispensable*  
30           *to their existence, and is a power which, in its own nature, is capable of residing in, and being exercised by,*  
31           *different authorities at the same time. We are accustomed to see it placed, for different purposes, in different*  
32           *hands. Taxation is the simple operation of taking small portions from a perpetually accumulating mass,*  
33           *susceptible of almost infinite division; and a power in one to take what is necessary for certain purposes, is not,*  
34           *in its nature, incompatible with a power in another to take what is necessary for other purposes. Congress is*  
35           *authorized to lay and collect taxes, and to pay the debts, and provide for the common defence and general*  
36           *welfare of the United States. This does not interfere with the power of the States to tax [internally] for the*  
37           *support of their own governments; nor is the exercise of that power by the States [to tax INTERNALLY], an*  
38           *exercise of any portion of the power that is granted to the United States [to tax EXTERNALLY]. In imposing*  
39           *taxes for State purposes, they are not doing what Congress is empowered to do. Congress is not empowered*  
40           *to tax for those purposes which are within the exclusive province of the States. When, then, each*  
41           ***government exercises the power of taxation, neither is***  
42           ***exercising the power of the other.** But, when a State proceeds to regulate commerce*  
43           *with foreign nations, or among the several States, it is exercising the very power that is granted to Congress,*  
44           *[22 U.S. 1, 200] and is doing the very thing which Congress is authorized to do. There is no analogy, then,*  
45           *between the power of taxation and the power of regulating commerce. "*  
46           *[Gibbons v. Ogden, 22 U.S. 21 (1824)]*

47  
48           *"In Slaughter-house Cases, 16 Wall. 62, it was said that the police power is, from its nature, incapable of any*  
49           *exact definition or limitation; and in Stone v. Mississippi, 101 U.S. 818 , that it is 'easier to determine whether*  
50           *particular cases come within the general scope of the power than to give an abstract definition of the power*  
51           *itself, which will be in all respects accurate.' That there is a power, sometimes called the police power, which*  
52           *has never been surrendered by the states, in virtue of which they may, within certain limits, control*  
53           *everything within their respective territories, and upon the proper exercise of which, under some*  
54           *circumstances, may depend the public health, the public morals, or the public safety, is conceded in all the*  
55           *cases. Gibbons v. Ogden, 9 Wheat. 203. In its broadest sense, as sometimes defined, it includes all legislation*  
56           *and almost every function of civil government. Barbier v. Connolly, 113 U.S. 31 ; S. C. 5 Sup. Ct. Rep. 357. [*  
57           *. . .] **Definitions of the police power must, however, be taken subject to the condition that***  
58           ***the state cannot, in its exercise, for any purpose whatever, encroach upon the powers***

1 of the general [federal] government, or rights granted or secured by the supreme law of  
2 the land.

3 "Illustrations of interference with the rightful authority of the general government by  
4 state legislation-which was defended upon the ground that it was enacted under the  
5 police power-are found in cases where enactments concerning the introduction of  
6 foreign paupers, convicts, and diseased persons were held to be unconstitutional as  
7 conflicting, by their necessary operation and effect, with the paramount authority of  
8 congress to regulate commerce with foreign nations, and among the several states. In  
9 Henderson v. Mayor of New York, [92 U.S. 263](#), the court, speaking by Mr. Justice MILLER, while declining to  
10 decide whether in the absence of congressional action the states can, or how far they may, by appropriate  
11 legislation protect themselves against actual paupers, vagrants, criminals, [115 U.S. 650, 662] and diseased  
12 persons, arriving from foreign countries, said, that no definition of the police power, and 'no urgency for its  
13 use, can authorize a state to exercise it in regard to a subject-matter which has been confided exclusively to the  
14 discretion of congress by the constitution.' Chy Lung v. Freeman, [92 U.S. 276](#). And in Railroad Co.  
15 v. Husen, 95 U.S. 474, Mr. Justice STRONG, delivering the opinion of  
16 the court, said that 'the police power of a state cannot obstruct foreign  
17 commerce or interstate commerce beyond the necessity for its exercise;  
18 and, under color of it, objects not within its scope cannot be secured at  
19 the expense of the protection afforded by the federal constitution.' "  
20 [New Orleans Gas Company v. Louisiana Light Company, [115 U.S. 650](#) (1885)]

21 And the Federalist Paper # 45 confirms this view in regards to taxation:

22 "It is true, that the Confederacy is to possess, and may exercise, the power of collecting internal as well as  
23 external taxes throughout the States; but it is probable that this power will not be resorted to, except for  
24 supplemental purposes of revenue; that an option will then be given to the States to supply their quotas by  
25 previous collections of their own; and that the eventual collection, under the immediate authority of the  
26 Union, will generally be made by the officers, and according to  
27 the rules, appointed by the several States. Indeed it is  
28 extremely probable, that in other instances, particularly in the  
29 organization of the judicial power, the officers of the States  
30 will be clothed with the correspondent authority of the Union.  
31 "

32 "Should it happen, however, that separate collectors of internal revenue should be appointed under the federal  
33 government, the influence of the whole number would not bear a comparison with that of the multitude of State  
34 officers in the opposite scale. "

35 "Within every district to which a federal collector would be allotted, there would not be less than thirty or forty,  
36 or even more, officers of different descriptions, and many of them persons of character and weight, whose  
37 influence would lie on the side of the State. The powers delegated by the proposed Constitution to the federal  
38 government are few and defined. Those which are to remain in the State governments are numerous and  
39 indefinite. The former will be exercised principally on external objects, as war, peace, negotiation, and  
40 foreign commerce; with which last the power of taxation will, for the most part, be connected. The powers  
41 reserved to the several States will extend to all the objects which, in the ordinary course of affairs, concern  
42 the lives, liberties, and properties of the people, and the internal order, improvement, and prosperity of the  
43 State. The operations of the federal government will be most extensive and important in times of war and  
44 danger; those of the State governments, in times of peace and security. As the former periods will probably  
45 bear a small proportion to the latter, the State governments will here enjoy another advantage over the  
46 federal government. The more adequate, indeed, the federal powers may be rendered to the national defense,  
47 the less frequent will be those scenes of danger which might favor their ascendancy over the governments of  
48 the particular States."  
49 [Federalist Paper No. 45 (Jan. 1788), James Madison]

50 The introduction of the Sixteenth Amendment did not change any of the above, because Subtitle A income taxes only apply  
51 within the federal United States, or federal zone. Even the Supreme Court agreed in the case of Stanton v. Baltic Mining  
52 that the Sixteenth Amendment "conferred no new powers of taxation", and they wouldn't have said it and repeated it if they  
53 didn't mean it. This is explained more thoroughly in Great IRS Hoax, Form #11.302, Section 5.2.6. Whether or not the  
54 Sixteenth Amendment was properly ratified is inconsequential and a nullity, because of the limited applicability of Subtitle

1 A of the Internal Revenue Code to the federal zone. The Sixteenth Amendment authorized that:

2 Sixteenth Amendment

3 *The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without*  
4 *apportionment among the several States, and without regard to any census or enumeration.*

5 And in fact, the above described amendment is *exactly* what an income tax under Subtitle A that only operates inside the  
6 federal zone does: collect taxes on incomes without apportionment. Furthermore, because the federal zone is not protected  
7 by the Constitution or the Bill of Rights (see *Downes v. Bidwell*, 182 U.S. 244 (1901)), then there can be no violation of  
8 constitutional rights from the enforcement of the I.R.C. there. As a matter of fact, since due process of law is a requirement  
9 only of the Bill of Rights, and the Bill of Rights doesn't apply in the federal zone, then technically, Congress doesn't even  
10 need a law to legitimately collect taxes in these areas! The federal zone, recall, is a totalitarian socialist democracy, not a  
11 republic, and the legislature and the courts can do anything they like there without violating the Bill of Rights or our  
12 Constitutional rights.

13 The question of whether the federal government has lawful authority to institute direct taxes inside the Union states and  
14 outside the federal zone is a rather simple one. Every power that it claims in respect to the internal affairs of states must  
15 have a Constitutional origin:

16 *"The Government of the United States, therefore, can claim no powers which are not [explicitly] granted to it*  
17 *by the Constitution, and the powers actually granted must be such as are expressly given, or given by necessary*  
18 *implication."*  
19 *[Buffington v. Day, 11 Wall. 113, 78 U.S. 122 (1871)]*

20 Under what circumstances the federal government can collect Subtitle A income taxes is a simple question of where, in the  
21 Constitution is the power **explicitly** granted to institute indirect excise taxes on natural "persons" living inside the 50 union  
22 states who are not living in federal enclaves? All excise taxes are taxes on privileges and ordinarily can only be enforced  
23 against artificial corporations and not human beings. All such taxes against human beings must be voluntary because  
24 consent is required in a free country and all just powers derive from consent. The Sixteenth Amendment, by the repeated  
25 admission of the Supreme court, didn't authorize enforcement actions against other than corporations and before we had a  
26 Sixteenth Amendment, the Supreme Court said that the federal government didn't have that authority in the case of *Pollock*  
27 *v. Farmers Loan and Trust*, 157 U.S. 429 (1895) to enforce income taxes on human beings. It's a simple question of where  
28 in the Constitution does the authority come from if the Supreme Court said it didn't come from the Sixteenth Amendment?  
29 Absent an answer, any act by the federal government to collect a indirect excise tax is **unlawful** and **illegal**, because not  
30 explicitly authorized by the Constitution:

31 **Unlawful.** *That which is contrary to, prohibited, or unauthorized by law. That which is not lawful. The acting*  
32 *contrary to, or in defiance of the law; disobeying or disregarding the law. Term is equivalent to "without*  
33 *excuse or justification."* *State v. Noble, 90 N.M. 360, 563 P.2d 1153, 1157. While necessarily not implying the*  
34 *element of criminality, it is broad enough to include it.*  
35 *[Black's Law Dictionary, Sixth Edition, p. 1536]*

36 **Illegal.** *Against or not authorized by law."*  
37 *[Black's Law Dictionary, Sixth Edition, p. 747]*

38 Without constitutional authority directly from the states somewhere in the Constitution, it cannot be claimed that taxes laid  
39 on activities or individuals inside the union states are consensual or voluntary, and if they aren't consensual, then the  
40 people in the states are a conquered people and the federal government is at war with them by means of financial terrorism  
41 instituted at the hands of the IRS. In that scenario, the District of Columbia becomes a haven for financial terrorists and a  
42 "federal mafia", who are protected from legal accountability for their abuses by sovereign immunity and the complicity of a  
43 corrupted and treasonous federal judiciary!

44 Lets summarize what we have learned so far by breaking down all the various taxes by state and federal sovereignties and  
45 allocating them between internal and external classifications. A picture is worth a thousand words to reveal our research:  
46



1 **Table 11: Apportionment of various taxes between state and federal jurisdictions**

| # | Tax   | Legal Authority   | States: Internal   | Federal government: Internal   | Federal government: External  |
|---|---|---|--|--|---|
| 1 | Excise taxes on foreign commerce  | Const. 1:8:1<br>Const. 1:8:3<br>Sixteenth Amend.<br>26 U.S.C. Subtitle D, Chapt. 38, Subchapter A.<br>26 U.S.C. §4612(a)(4)<br>26 U.S.C. Subtitle A (Personal income taxes)                                       | No authority   | On corporations involved in foreign commerce anywhere in the country. Currently only includes petroleum products under 26 U.S.C. §§4611-4612. All other "persons" and activities are "voluntary" and not mandatory.  | On corporations involved in foreign commerce anywhere in the country. Currently only includes petroleum products under 26 U.S.C. §§4611-4612 and on Foreign Sales Corporations (FSC's) and Domestic International Sales Corporations (DISC's) under Subtitle A of 26 U.S.C. |
| 2 | Excise taxes on interstate commerce   | Const. 1:8:1<br>Const. 1:8:3<br>Sixteenth Amend.<br>26 U.S.C. §7701(a)(9) and (a)(10)   | No authority   | None instituted, but have authority.   | Not applicable  |
| 3 | Excise taxes on intrastate commerce<br>(NOTE: "the STATE in INTRASTATE in this case means federal State and not states of the union.) | Const. 1:8:17<br>26 U.S.C. Subtitle E<br>26 U.S.C. Subtitle C, Chapt. 21  | On privileged activities involving state-chartered corporations.   | 1. Misc. excise taxes under 26 U.S.C. Subtitle D inside of federal United States only and not in union states.<br>2. Alcohol, tobacco, and firearms under 26 U.S.C. Subtitle E inside of federal United States only and not in union states.<br>3. FICA taxes inside of federal U.S. only and not in union states. | No authority  |
| 4 | Direct income taxes   | Const. 1:2:3<br>Const. 1:9:4<br>26 U.S.C. Subtitle A<br>Buck Act, 4 U.S.C. §§ 105-114<br><i>Cook v. Tait</i> , 265 U.S. 47 (1924)<br><i>Loughborough v. Blake</i> , 18 U.S. 317, 5 Wheat. 317, 5 L. ed. 98 (1820) | State statutes. Most state income tax statutes rely entirely on the Buck Act. For their authority and only apply in federal enclaves within the state. | Federal United States <u>only</u> and not union states. Voluntary (no liability statute). None currently implemented, since Subtitle A income taxes are indirect excise taxes.   | U.S. citizens (but not "nationals" or "state nationals") living abroad.   |
| 5 | Inheritance taxes   | 26 U.S.C. Subtitle B<br><i>Knowlton v. Moore</i> , 178 U.S. 41 (1900)<br>26 U.S.C. §7701(a)(9) and (a)(10)  | State statutes.  | In federal U.S. and U.S. territories, but not union states.  | On federal/"U.S. citizens" (but not "nationals" or "state nationals") living <u>abroad</u> who have estates in the federal U.S. and U.S. territories, but not union states.   |

2 The location where a crime is committed controls. If it is committed on state property, then the state prosecutes. When a  
3 crime is committed inside a federal area within a Union state, however, the crime can be tried under either state or federal  
4 jurisdiction in many cases because of a thing called the Assimilated Crimes Act found in 18 U.S.C. §13. You cannot be  
5 tried under both jurisdictions because that would be double-jeopardy, which is prohibited by the Constitution. However, if  
6 the federal government fails to convict you in a federal court for a crime in a federal area situated inside a state, then  
7 sometimes the state will then try to prosecute you under federal law in a state court instead.

8 With all the above in mind, let's return to the original Supreme Court cites we referred to at the beginning of the section.  
9 The Constitution and the Bill of Rights, which are the "laws" of the United States, apply equally to both the union states  
10 AND the federal government, as the cites explain. That is why either state or federal officers both have to take an oath to  
11 support and defend the Constitution before they take office. However, the statutes or legislation passed by Congress, which

are called “Acts of Congress” have much more limited jurisdiction inside the Union states, and in most cases, do not apply at all. For example:

[TITLE 18 > PART III > CHAPTER 301 > Sec. 4001.](#)  
[Sec. 4001. - Limitation on detention; control of prisons](#)

(a) No citizen shall be imprisoned or otherwise detained by the United States except pursuant to an Act of Congress.

The reason for the above is because the federal government has no police powers inside the states because these are reserved by the Tenth Amendment to the state governments. Likewise, the feds have no territorial jurisdiction for most subject matters inside the states either. See *U.S. v. Bevans*, 16 U.S. 336 (1818).

Now if we look at the meaning of “Act of Congress”, we find such a definition in [Rule 54\(c\) of the Federal Rules of Criminal Procedure](#) prior to Dec. 2002, wherein is defined "Act of Congress." Rule 54(c) states:

*Federal Rule of Criminal Procedure 54(c ), prior to Dec. 2002*

*"Act of Congress" includes any act of Congress locally applicable to and in force in the District of Columbia, in Puerto Rico, in a territory or in an insular possession."*

Keep in mind, the Internal Revenue Code is an “Act of Congress.” The reason such “Acts of Congress” cannot apply within the sovereign states is because the federal government lacks what is called “police powers” inside the union states, and the Internal Revenue Code requires police powers to implement and enforce. THEREFORE, THE QUESTION IS, ON WHICH OF THE FOUR LOCATIONS NAMED IN RULE 54(c) IS THE UNITED STATES DISTRICT COURT ASSERTING JURISDICTION WHEN THE U.S. ATTORNEY HAULS YOUR ASS IN COURT ON AN INCOME TAX CRIME? Hint, everyone knows what and where the District of Columbia is, and everyone knows where Puerto Rico is, and territories and insular possessions are defined in [Title 48 United States Code](#), happy hunting!

The preceding discussion within this section is also confirmed by the content of [4 U.S.C. §72](#). Subtitle A is primarily a “privilege” tax upon a “trade or business”, as you will learn by reading or free pamphlet below:

[The “Trade or Business” Scam, Form #05.001](#)  
<http://sedm.org/Forms/FormIndex.htm>

A “trade or business” is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as “the functions of a public office”:

[26 U.S.C. §7701 Definitions](#)

(a)(26) Trade or business

*"The term 'trade or business' includes the performance of the functions of a [public office](#)."*

Title 4 of the U.S. Code then says that all “public offices” MUST be exercised ONLY in the District of Columbia and no place else, except as expressly provided by law:

[TITLE 4 > CHAPTER 3 > § 72](#)  
[§ 72. Public offices; at seat of Government](#)

*All offices attached to the seat of government shall be exercised in the District of Columbia, and not elsewhere, except as otherwise expressly provided by law.*

If the we then search all the titles of the U.S. Code electronically, we find only one instance where “public offices” are “expressly provided” by law to a place other than the seat of government in connection with the Internal Revenue Code. That reference is found in [48 U.S.C. §1612](#), which expressly provides that public offices for the U.S. Attorney are extended to the Virgin Islands to enforce the provisions of the Internal Revenue Code.

Moving on, we find in [26 U.S.C. §7601](#) that the IRS has enforcement authority for the Internal Revenue Code only within what is called “internal revenue districts”. [26 U.S.C. §7621](#) authorizes the President to establish these districts. Under

[Executive Order 10289](#), the President delegated the authority to define these districts to the Secretary of the Treasury in 1952. We then search the Treasury Department website for Treasury Orders documenting the establishment of these internal revenue districts:

<http://www.ustreas.gov/regs/>

The only orders documenting the existence of “internal revenue districts” is Treasury Orders 150-01 and 150-02. Treasury Order 150-01 established internal revenue districts that included federal land within states of the Union, but it was repealed in 1998 as an aftermath of the IRS Restructuring and Reform Act and replaced with Treasury Order 150-02. Treasury Order 150-02 says that all IRS administration must be conducted in the District of Columbia. Therefore, pursuant to 26 U.S.C. §7601, the IRS is only authorized to enforce the I.R.C. within the District of Columbia, which is the only remaining internal revenue district. This leads us full circle right back to our initial premise, which is:

1. The definition of the term “United States” found in 26 U.S.C. §7701(a)(9) and (a)(10), which is defined as federal territory that is not part of any state, means what it says and says what it means.
2. Subtitle A of the Internal Revenue Code may only be enforced within the only remaining internal revenue district, which is the District of Columbia.
3. There is no provision of law which “expressly extends” the enforcement of the Internal Revenue Code to any land under exclusive state jurisdiction.
4. The Separation of Powers Doctrine therefore does not allow anyone in a state of the Union to partake of the federal “privilege” known as a “trade or business”, which is the main subject of tax under Subtitle A of the I.R.C. This must be so because it involves a public office and all public offices must be exercised ONLY in the District of Columbia.
5. The only source of federal jurisdiction to tax is foreign commerce because the Constitution does not authorize any other type of tax internal to a state of the Union other than a direct, apportioned tax. Since the Internal Revenue Code, Subtitle A tax is not apportioned and since it is upon a privileged “trade or business” activity, then it is indirect and therefore need not be apportioned.

Q.E.D.-Quod Erod Demonstrandum (proven beyond a shadow of a doubt)

We will now provide an all-inclusive list of subject matters for which the federal government definitely does have jurisdiction within a state, and the Constitutional origin of that power:

1. Foreign commerce pursuant to Article 1, Section 8, Clause 3 of the United States Constitution. This jurisdiction is described within 9 U.S.C. §1 et seq.
2. Counterfeiting pursuant to Article 1, Section 8, Clause 5 of the United States Constitution.
3. Postal matters pursuant to Article 1, Section 8, Clause 7 of the United States Constitution.
4. Treason pursuant to Article 4, Section 2, Clause 2 of the United States Constitution.
5. Federal contracts, franchises, and property pursuant to Article 4, Section 3, Clause 2 of the United States Constitution. This includes federal employment, which is a type of contract or franchise, wherever conducted, including in a state of the Union.

In relation to that last item above, which is federal contracts and franchises, Subtitle A of the Internal Revenue Code fits into that category, because it is a franchise and not a “tax”, which relates primarily to federal employment and contracts. The alleged “tax” in fact is a kickback scheme that can only lawfully affect federal contractors and employers, but not private persons. Those who are party to this contract or franchise are called “effectively connected with a trade or business”. Saying a person is “effectively connected” really means that they consented to the contract explicitly in writing or implicitly by their conduct. To enforce the “trade or business” franchise as a contract in a place where the federal government has no territorial jurisdiction requires informed, voluntary consent in some form from the party who is the object of the enforcement of the contract. The courts call this kind of consent “comity”. To wit:

*“Judge Story, in his treatise on the Conflicts of Laws, lays down, as the basis upon which all reasonings on the law of comity must necessarily rest, the following maxims: First 'that every nation possesses an exclusive sovereignty and jurisdiction within its own territory'; secondly, 'that no state or nation can by its laws directly affect or bind property out of its own territory, or bind persons not resident therein, whether they are natural born subjects or others.' The learned judge then adds: 'From these two maxims or propositions there follows a third, and that is that whatever force and obligation the laws of one country have in another depend solely upon the laws and municipal regulation of the latter; that is to say, upon its own proper jurisdiction and polity, and upon its own express or tacit consent.' Story on Conflict of Laws §23.”*  
[Baltimore & Ohio Railroad Co. v. Chambers, 73 Ohio St. 16, 76 N.E. 91, 11 L.R.A., N.S., 1012 (1905)]



When the federal government wishes to enforce one of its contracts or franchises in a place where it has no territorial jurisdiction, such as in China, it would need to litigate in the courts in China just like a private person. However, if the contract is within a state of the Union, the Separation of Powers Doctrine requires that all “federal questions”, including federal contracts, which are “property” of the United States, must be litigated in a federal court. This requirement was eloquently explained by the U.S. Supreme Court in *Alden v. Maine*, 527 U.S. 706 (1999). Consequently, even though the federal government enjoys no territorial jurisdiction within a state of the Union for other than the above subject matters explicitly authorized by the Constitution itself, it still has subject matter jurisdiction within federal court over federal property, contracts and franchises, which are synonymous. Since the Internal Revenue Code is a federal contract or franchise, then the federal courts have jurisdiction over this issue with persons who participate in the “trade or business” franchise. This concept is further explained later in the following pamphlet:

Requirement for Consent, Form #05.003  
<http://sedm.org/Forms/FormIndex.htm>

Finally, below is a very enlightening U.S. Supreme Court case that concisely explains the constitutional relationship between the exclusive and plenary internal sovereignty of the states or the Union and the exclusive external sovereignty of the federal government:

*“It will contribute to the elucidation of the question if we first consider the differences between the powers of the federal government in respect of foreign or external affairs and those in respect of domestic or internal affairs. That there are differences between them, and that these differences are fundamental, may not be doubted.*

*The two classes of powers are different, both in respect of their origin and their nature. The broad statement that the federal government can exercise no powers except [299 U.S. 304, 316] those specifically enumerated in the Constitution, and such implied powers as are necessary and proper to carry into effect the enumerated powers, is categorically true only in respect of our internal affairs. In that field, the primary purpose of the Constitution was to carve from the general mass of legislative powers then possessed by the states such portions as it was thought desirable to vest in the federal government, leaving those not included in the enumeration still in the states. Carter v. Carter Coal Co., 298 U.S. 238, 294 , 56 S.Ct. 855, 865. That this doctrine applies only to powers which the states had is self-evident. And since the states severally never possessed international powers, such powers could not have been carved from the mass of state powers but obviously were transmitted to the United States from some other source. During the Colonial period, those powers were possessed exclusively by and were entirely under the control of the Crown. By the Declaration of Independence, ‘the Representatives of the United States of America’ declared the United (not the several) Colonies to be free and independent states, and as such to have ‘full Power to levy War, conclude Peace, contract Alliances, establish Commerce and to do all other Acts and Things which Independent States may of right do.’*

*As a result of the separation from Great Britain by the colonies, acting as a unit, the powers of external sovereignty passed from the Crown not to the colonies severally, but to the colonies in their collective and corporate capacity as the United States of America. Even before the Declaration, the colonies were a unit in foreign affairs, acting through a common agency-namely, the Continental Congress, composed of delegates from the thirteen colonies. That agency exercised the powers of war and peace, raised an army, created a navy, and finally adopted the Declaration of Independence. Rulers come and go; governments end and forms of government change; but sovereignty survives. A political society cannot endure [299 U.S. 304, 317] without a supreme will somewhere. Sovereignty is never held in suspense. When, therefore, the external sovereignty of Great Britain in respect of the colonies ceased, it immediately passed to the Union. See *Penhallow v. Doane*, 3 Dall. 54, 80, 81, Fed.Cas. No. 10925. That fact was given practical application almost at once. The treaty of peace, made on September 3, 1783, was concluded between his Britannic Majesty and the ‘United States of America.’ 8 Stat., European Treaties, 80.*

*The Union existed before the Constitution, which was ordained and established among other things to form ‘a more perfect Union.’ Prior to that event, it is clear that the Union, declared by the Articles of Confederation to be ‘perpetual,’ was the sole possessor of external sovereignty, and in the Union it remained without change save in so far as the Constitution in express terms qualified its exercise. The Framers’ Convention was called and exerted its powers upon the irrefutable postulate that though the states were several their people in respect of foreign affairs were one. Compare *The Chinese Exclusion Case*, 130 U.S. 581, 604 , 606 S., 9 S.Ct. 623. In that convention, the entire absence of state power to deal with those affairs was thus forcefully stated by Rufus King:*

*‘The states were not ‘sovereigns’ in the sense contended for by some. They did not possess the peculiar features of [external] sovereignty,-they could not make war, nor peace, nor alliances, nor treaties. Considering them as political beings, they were dumb, for they could not speak to any foreign sovereign whatever. They were deaf, for they could not hear any propositions from such sovereign. They had not even the organs or faculties of defence or offence, for they could*

not of themselves raise troops, or equip vessels, for war.' 5 Elliot's Debates, 212.1 [299 U.S. 304, 318] It results that the investment of the federal government with the powers of external sovereignty did not depend upon the affirmative grants of the Constitution. The powers to declare and wage war, to conclude peace, to make treaties, to maintain diplomatic relations with other sovereignties, if they had never been mentioned in the Constitution, would have vested in the federal government as necessary concomitants of nationality. Neither the Constitution nor the laws passed in pursuance of it have any force in foreign territory unless in respect of our own citizens (see *American Banana Co. v. United Fruit Co.*, 213 U.S. 347, 356, 29 S.Ct. 511, 16 Ann.Cas. 1047); and operations of the nation in such territory must be governed by treaties, international understandings and compacts, and the principles of international law. As a member of the family of nations, the right and power of the United States in that field are equal to the right and power of the other members of the international family. Otherwise, the United States is not completely sovereign. The power to acquire territory by discovery and occupation ( *Jones v. United States*, 137 U.S. 202, 212, 11 S.Ct. 80), the power to expel undesirable aliens (*Fong Yue Ting v. United States*, 149 U.S. 698, 705 et seq., 13 S.Ct. 1016), the power to make such international agreements as do not constitute treaties in the constitutional sense (*Altman & Co. v. United States*, 224 U.S. 583, 600, 601 S., 32 S.Ct. 593; *Crandall, Treaties, Their Making and Enforcement* (2d Ed.) p. 102 and note 1), none of which is expressly affirmed by the Constitution, nevertheless exist as inherently inseparable from the conception of nationality. This the court recognized, and in each of the cases cited found the warrant for its conclusions not in the provisions of the Constitution, but in the law of nations.

In *Burnet v. Brooks*, 288 U.S. 378, 396, 53 S.Ct. 457, 461, 86 A.L.R. 747, we said, 'As a nation with all the attributes of sovereignty, the United States is vested with all the powers of government necessary to maintain an effective control of international relations.' Cf. *Carter v. Carter Coal Co.*, supra, 298 U.S. 238, at page 295, 56 S.Ct. 855, 865. [299 U.S. 304, 319] Not only, as we have shown, is the federal power over external affairs in origin and essential character different from that over internal affairs, but participation in the exercise of the power is significantly limited. In this vast external realm, with its important, complicated, delicate and manifold problems, the President alone has the power to speak or listen as a representative of the nation. He makes treaties with the advice and consent of the Senate; but he alone negotiates. Into the field of negotiation the Senate cannot intrude; and Congress itself is powerless to invade it. As Marshall said in his great argument of March 7, 1800, in the House of Representatives, 'The President is the sole organ of the nation in its external relations, and its sole representative with foreign nations.' *Annals, 6th Cong., col. 613.* The Senate Committee on Foreign Relations at a very early day in our history ( February 15, 1816), reported to the Senate, among other things, as follows:

'The President is the constitutional representative of the United States with regard to foreign nations. He manages our concerns with foreign nations and must necessarily be most competent to determine when, how, and upon what subjects negotiation may be urged with the greatest prospect of success. For his conduct he is responsible to the Constitution. The committee considers this responsibility the surest pledge for the faithful discharge of his duty. They think the interference of the Senate in the direction of foreign negotiations calculated to diminish that responsibility and thereby to impair the best security for the national safety. The nature of transactions with foreign nations, moreover, requires caution and unity of design, and their success frequently depends on secrecy and dispatch.' 8 U.S.Sen.Reports Comm. on Foreign Relations, p. 24.

It is important to bear in mind that we are here dealing not alone with an authority vested in the President by an [299 U.S. 304, 320] exertion of legislative power, but with such an authority plus the very delicate, plenary and exclusive power of the President as the sole organ of the federal government in the field of international relations-a power which does not require as a basis for its exercise an act of Congress, but which, of course, like every other governmental power, must be exercised in subordination to the applicable provisions of the Constitution. It is quite apparent that if, in the maintenance of our international relations, embarrassment-perhaps serious embarrassment-is to be avoided and success for our aims achieved, congressional legislation which is to be made effective through negotiation and inquiry within the international field must often accord to the President a degree of discretion and freedom from statutory restriction which would not be admissible were domestic affairs alone involved. Moreover, he, not Congress, has the better opportunity of knowing the conditions which prevail in foreign countries, and especially is this true in time of war. He has his confidential sources of information. He has his agents in the form of diplomatic, consular and other officials. Secrecy in respect of information gathered by them may be highly necessary, and the premature disclosure of it productive of harmful results. Indeed, so clearly is this true that the first President refused to accede to a request to lay before the House of Representatives the instructions, correspondence and documents relating to the negotiation of the Jay Treaty-a refusal the wisdom of which was recognized by the House itself and has never since been doubted. In his reply to the request, President Washington said:

'The nature of foreign negotiations requires caution, and their success must often depend on secrecy; and even when brought to a conclusion a full disclosure of all the measures, demands, or eventual concessions which may have been proposed or contemplated would be extremely [299 U.S. 304, 321] impolitic; for this might have a pernicious influence on future negotiations, or produce immediate inconveniences, perhaps danger and mischief, in relation

to other powers. The necessity of such caution and secrecy was one cogent reason for vesting the power of making treaties in the President, with the advice and consent of the Senate, the principle on which that body was formed confining it to a small number of members. To admit, then, a right in the House of Representatives to demand and to have as a matter of course all the papers respecting a negotiation with a foreign power would be to establish a dangerous precedent.' 1 Messages and Papers of the Presidents, p. 194.

**The marked difference between foreign affairs and domestic affairs in this respect is recognized by both houses of Congress in the very form of their requisitions for information from the executive departments.** In the case of every department except the Department of State, the resolution directs the official to furnish the information. In the case of the State Department, dealing with foreign affairs, the President is requested to furnish the information 'if not incompatible with the public interest.' A statement that to furnish the information is not compatible with the public interest rarely, if ever, is questioned. "

[United States v. Curtiss-Wright Export Corporation, 299 U.S. 304 (1936)]

If you would like to learn more about the relationship between federal and state sovereignty exercised within states of the Union, we recommend an excellent, short, succinct book on the subject as follows:

**Conflict in a Nutshell, 2<sup>nd</sup> Edition**, David D. Seigel  
West Publishing, 1994, ISBN 0-314-02952-4

The above book is available on the internet from:

<http://west.thomson.com/product/22088447/product.asp>

## **23.5 Federal Court Objections**

Below is how one U.S. Attorney tried to attack the Nonresident Alien Position in an actual legal brief filed in Federal District Court, along with an analysis of the caselaw he cited which disproves his arguments.

*The power of Congress to impose a federal income tax system on citizens and residents of the United States derives from the Sixteenth Amendment.<sup>19</sup> The Fourteenth Amendment controls the definition of citizenship. The Amendment states that "all persons born or naturalized in the United States and subject to the jurisdiction thereof are citizens of the United States and of the States wherein they reside." Defendant's statements that federal income taxes do not apply to his "nonresident alien" customers, who are actually American citizens, are not supported by law. Federal income tax law applies not only to all citizens of this country, but also to residents of this country. I.R.C. § 7701(a)(14) defines "taxpayer" as any person subject to any internal revenue tax. As courts have stated, "All individuals, natural or unnatural, must pay federal income tax on their wages."<sup>20</sup> The Internal Revenue Code imposes a duty on individuals to file tax returns and pay the appropriate amount of tax. I.R.C. §6012 states that an individual shall file a tax return if taxable income exceeds a given amount.<sup>21</sup>*

[. . .]

*In addition, Defendant's representation that the internal revenue laws have no application outside the District of Columbia and other federal property is wrong. As the Supreme Court stated long ago, "The people of the United States resident within any State are subject to two governments: one State, and the other National. ..."<sup>22</sup> In fact, the Internal Revenue Code's definition of "United States" includes "the States and the District of Columbia."<sup>23</sup> The I.R.C. was enacted by Congress pursuant to the Sixteenth Amendment and imposes an income tax on citizens and residents of the 50 states and the District of Columbia. Taxation is not limited to just the District of Columbia, but extends to "United States citizens throughout the nation, not just in federal enclaves," such as post offices and Indian reservations."<sup>24</sup>*

<sup>19</sup> *Lonsdale v. Commissioner*, 661 F.2d 71, 72 (5th Cir. 1981); *United States v. Updegrave*, 97-1 U.S. Tax Cas. (CCH) ¶ 50,465 (E.D. Pa. 1997).

<sup>20</sup> *Lovell v. United States*, 755 F.2d 517, 519 (7<sup>th</sup> Cir. 1984); *Coleman v. Commissioner*, 791 F.2d 68 (7<sup>th</sup> Cir. 1986); see also IRC § 7701(a)(30); *United States v. Ward*, 833 F.2d 1538, 1539 (11<sup>th</sup> Cir. 1987); *In re Becraft*, 885 F.2d at 548 n.2.

<sup>21</sup> *United States v. Drefke*, 707 F.2d 978, 981 (8<sup>th</sup> Cir. 1983).

<sup>22</sup> *United States v. Cruikshank*, 92 U.S. 542, 550 (1875).

<sup>23</sup> IRC § 7701(a)(9); *Betz*, 40 Fed.Cl. at 295; see also *Lonsdale*, 919 F.2d at 1448 (the argument that the federal government has jurisdiction only over the District of Columbia is "completely lacking in legal merit and patently frivolous").

<sup>24</sup> *Sloan*, 939 F.2d at 501 (quoting *United States v. Collins*, 920 F.2d 619, 629 (10<sup>th</sup> Cir. 1990); *Betz*, 40 Fed.Cl. at 295; see also *In re Becraft*, 885 F.2d at 549-50 ("no semblance of merit" to claim that federal laws only apply to territories and District of Columbia); *Ward*, 833 F.2d at 1539 (contention that United States has jurisdiction only over D.C. and other federal enclaves is rejected as a "twisted conclusion").



1 In the following subsections, we have broken the assertions above into sentences and organized them to facilitate detailed  
2 rebuttal. For our treatment, we will follow the same format as the IRS' own rebuttal available at:

3 [The Truth About Frivolous Tax Arguments](http://famguardian.org/PublishedAuthors/Govt/IRS/friv_tax_rebuts.pdf)  
4 [http://famguardian.org/PublishedAuthors/Govt/IRS/friv\\_tax\\_rebuts.pdf](http://famguardian.org/PublishedAuthors/Govt/IRS/friv_tax_rebuts.pdf)

5 Please therefore read the following subsections for the rebuttal of each point in the above quote.

### 6 **23.5.1 Power to tax derives from Sixteenth Amendment**

7 Contention: The power of Congress to impose a federal income tax system on citizens and residents of the United States  
8 derives from the Sixteenth Amendment.

9 Authorities: *Lonsdale v. Commissioner*, 661 F.2d 71, 72 (5th Cir. 1981); *United States v. Updegrave*, 97-1 U.S. Tax Cas.  
10 (CCH) ¶ 50,465 (E.D. Pa. 1997).

11 Rebuttal: There is no question that the authority to impose any kind of income tax derives from the "domicile" of the  
12 persons taxed. This was confirmed by the U.S. Supreme Court in *Miller Brothers Co. v. Maryland*:

13 *"Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in*  
14 *transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes. Since the*  
15 *Fourteenth Amendment makes one a citizen of the state wherein he resides, the fact of residence creates*  
16 *universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter*  
17 *obviously includes a duty to pay taxes, and their nature and measure is largely a political matter. Of course,*  
18 *the situs of property may tax it regardless of the citizenship, domicile, or residence of the owner, the most*  
19 *obvious illustration being a tax on realty laid by the state in which the realty is located."*  
20 *[Miller Brothers Co. v. Maryland, 347 U.S. 340 (1954)]*

21 What both "citizens" and "residents" have in common is a legal domicile within the "United States", which is defined in 26  
22 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d) to be federal territory and is nowhere extended in the Internal  
23 Revenue Code, Subtitle A to include any other place.

24 [TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.](#) *[Internal Revenue Code]*  
25 [Sec. 7701. - Definitions](#)

26 *(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent*  
27 *thereof—*

28 *(9) United States*

29 *The term "United States" when used in a geographical sense includes only the [States](#) and the District of*  
30 *Columbia.*

31 *(10) State*

32 *The term "State" shall be construed to include the District of Columbia, where such construction is necessary to*  
33 *carry out provisions of this title.*

34 Pursuant to the rules of statutory construction, that which is not explicitly included somewhere in the code, may be  
35 presumed to be excluded:

36 *"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that the expression of one*  
37 *thing is the exclusion of another. Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d 321, 325; Newblock v. Bowles,*  
38 *170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. When certain persons*  
39 *or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be*  
40 *inferred. Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects*  
41 *of a certain provision, other exceptions or effects are excluded."*  
42 *[Black's Law Dictionary, Sixth Edition, page 581]*

43 *"It is axiomatic that the statutory definition of the term excludes unstated meanings of that term,"*  
44 *[Meese v. Keene, 481 U.S. 465, 484 (1987)]*

The “citizens” he is talking about are statutory “U.S. citizens” defined in 8 U.S.C. §1401. This type of citizen includes those born or naturalized in the federal zone and who maintain a domicile there. The U.S. Supreme Court confirmed that such a statutory “U.S. citizen” subject to federal law is mutually exclusive from the constitutional “Citizen” mentioned in U.S. Constitution or the Fourteenth Amendment.

*“The 1<sup>st</sup> section of the 14<sup>th</sup> article, to which our attention is more specifically invited, opens with a definition of citizenship—not only citizenship of the United States[\*\*\*], but citizenship of the states. No such definition was previously found in the Constitution, nor had any attempt been made to define it by act of Congress. It had been the occasion of much discussion in the courts, by the executive departments and in the public journals. It had been said by eminent judges that no man was a citizen of the United States[\*\*\*] except as he was a citizen of one of the state comprising the Union. Those, therefore, who had been born and resided always in the District of Columbia or in the territories, though within the United States[\*\*\*], were not citizens.”*

*[Slaughter-House Cases, 83 U.S. (16 Wall.) 36, 21 L.Ed. 394 (1873)]*

The “residents” they are talking about are statutory “residents aliens” as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#). Both the “U.S. citizens” and “U.S. residents” they are talking about, which collectively are called “U.S. persons” and defined in [26 U.S.C. §7701\(a\)\(30\)](#) are subject to the legislative jurisdiction of the United States by virtue of said legal domicile. Those without a domicile within the “United States” are “nonresident aliens”, which are defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#) as follows:

[26 U.S.C. §7701\(b\)\(1\)\(B\) Nonresident alien](#)

*An individual is a nonresident alien if such individual is neither a citizen of the United States nor a resident of the United States (within the meaning of subparagraph (A)).*

These distinctions originate from the differences in meaning of the term “United States” between the two distinct contexts in which it is frequently used:

1. The U.S. Constitution.
2. Acts of Congress and the U.S. Code.

The “United States” as used in the Constitution can have one of two possible meanings, depending on the context: 1. The states of the Union; 2. The “national”/“federal” government. In the context of “citizens” defined in Section 1 of the Fourteenth Amendment, it means the states of the Union and excludes federal territories and possessions. The “United States” as used in most “Acts of Congress” or federal statutes means exactly the opposite in most cases, which is the territories and possessions of the United States and the District of Columbia and excluding states of the Union.

*“The earliest case is that of Hepburn v. Ellzey, 2 Cranch, 445, 2 L. ed. 332, in which this court held that, under that clause of the Constitution limiting the jurisdiction of the courts of the United States to controversies between citizens of different states, a citizen of the District of Columbia could not maintain an action in the circuit court of the United States. It was argued that the word ‘state,’ in that connection, was used simply to denote a distinct political society. ‘But,’ said the Chief Justice, ‘as the act of Congress obviously used the word ‘state’ in reference to that term as used in the Constitution, it becomes necessary to inquire whether Columbia is a state in the sense of that instrument. The result of that examination is a conviction that the members of the American confederacy only are the states contemplated in the Constitution, . . . and excludes from the term the signification attached to it by writers on the law of nations.’ This case was followed in Barney v. Baltimore, 6 Wall. 280, 18 L. ed. 825, and quite recently in Hooe v. Jamieson, 166 U.S. 395, 41 L. ed. 1049, 17 Sup. Ct. Rep. 596. The same rule was applied to citizens of territories in New Orleans v. Winter, 1 Wheat. 91, 4 L. ed. 44, in which an attempt was made to distinguish a territory from the District of Columbia. But it was said that ‘neither of them is a state in the sense in which that term is used in the Constitution.’ In Scott v. Jones, 5 How. 343, 12 L. ed. 181, and in Miners’ Bank v. Iowa ex rel. District Prosecuting Attorney, 12 How. 1, 13 L. ed. 867, it was held that under the judiciary act, permitting writs of error to the supreme court of a state in cases where the validity of a state statute is drawn in question, an act of a territorial legislature was not within the contemplation of Congress.”*

*[Downes v. Bidwell, 182 U.S. 244 (1901)]*

The distinctions in meaning of the term “United States” between that used in the term “citizen of the United States” in the Fourteenth Amendment, on the one hand, and Acts of Congress, on the other, is an important by-product, in fact, of the Separation of Powers Doctrine, which the U.S. Supreme Court said exists primarily to protect individual liberties:

*We start with first principles. The Constitution creates a Federal Government of enumerated powers. See U.S. Const., Art. I, 8. As James Madison wrote, “[t]he powers delegated by the proposed Constitution to the federal government are few and defined. Those which are to remain in the State governments are numerous and*

indefinite." *The Federalist* No. 45, pp. 292-293 (C. Rossiter ed. 1961). **This constitutionally mandated division of authority "was adopted by the Framers to ensure protection of our fundamental liberties."** *Gregory v. Ashcroft*, 501 U.S. 452, 458 (1991) (internal quotation marks omitted). "Just as the separation and independence of the coordinate branches of the Federal Government serves to prevent the accumulation of excessive power in any one branch, a healthy balance of power between the States and the Federal Government will reduce the risk of tyranny and abuse from either front." *Ibid.* " [U.S. v. Lopez, 514 U.S. 549 (1995)]

We further alluded to this separation of powers earlier in section 0, where we showed the exact breakdown of the I.R.C between each of the two distinct and completely separate taxing jurisdictions: National v. Federal. What the U.S. attorney is trying to do is exploit legal ignorance of the reader and confusion in order to break down the distinct separation of powers between the states and the federal government in order to trample on your rights. This is a crime, and its called "conspiracy against rights", in violation of [18 U.S.C. §242](#). Do you want your public servants wasting your tax dollars in this manner?

The Sixteenth Amendment, according to the U.S. Supreme Court, "does not extend the taxing power [of Congress] to new or excepted subjects", so it's irrelevant and a red herring. See the following:

"The Sixteenth Amendment, although referred to in argument, has no real bearing and may be put out of view. **As pointed out in recent decisions, it does not extend the taxing power to new or excepted subjects**, but merely removes all occasion, which otherwise might exist, for an apportionment among the states of taxes [247 U.S. 165, 173] laid on income, whether it be derived from one source or another. *Brushaber v. Union Pacific R. R. Co.*, 240 U.S. 1, 17-19, 36 Sup. Ct. 236, Ann. Cas. 1917B, 713, L. R. A. 1917D, 414; *Stanton v. Baltic Mining Co.*, 240 U.S. 103, 112-113, 36 Sup. Ct. 278. [Peck v. Lowe, 247 U.S. 165 (1918)]

"But, aside from the obvious error of the proposition, intrinsically considered, it manifestly disregards the fact that by the previous ruling it was settled that the provisions of the 16th Amendment conferred no new power of taxation, but simply prohibited the previous complete and plenary power of income taxation possessed by Congress from the beginning from being taken out of the category of indirect taxation to which it inherently belonged, and being placed [240 U.S. 103, 113] in the category of direct taxation subject to apportionment by a consideration of the sources from which the income was derived,-that is, by testing the tax not by what it was, a tax on income, but by a mistaken theory deduced from the origin or source of the income taxed." [Stanton v. Baltic Mining Co., 240 U.S. 103 (1916)]

## 23.5.2 Fourteenth Amendment controls

### Contention:

The Fourteenth Amendment controls the definition of citizenship. The Amendment states that "all persons born or naturalized in the United States and subject to the jurisdiction thereof are citizens of the United States and of the States wherein they reside." Defendant's statements that federal income taxes do not apply to his "nonresident alien" customers, who are actually American citizens, are not supported by law. Federal income tax law applies not only to all citizens of this country, but also to residents of this country. [I.R.C. §7701\(a\)\(14\)](#) defines "taxpayer" as any person subject to any internal revenue tax. As courts have stated, "All individuals, natural or unnatural, must pay federal income tax on their wages."

### Authorities:

*Lovell v. United States*, 755 F.2d 517, 519 (7th Cir. 1984); *Coleman v. Commissioner*, 791 F.2d 68 (7th Cir. 1986); see also *IRC § 7701(a)(30)*; *United States v. Ward*, 833 F.2d 1538, 1539 (11th Cir. 1987); *In re Becraft*, 885 F.2d at 548 n.2.

### Rebuttal:

The U.S. attorney is trying to confuse statutory "citizens of the United States" defined in [8 U.S.C. §1401](#) with constitutional "citizens of the United States" mentioned in the [Fourteenth Amendment](#). These are two completely different contexts that use mutually exclusive definitions of the term "United States" and therefore reference two completely different and separate political communities:



1. The federal zone, consisting of the District of Columbia and the territories and possessions of the United States;
2. The states of the Union, who are party to the Constitution.

These two mutually exclusive political and legal communities created by the Constitution and the two types of citizens are exhaustively analyzed in the free pamphlet below, and the U.S. attorney is demanded to rebut the evidence and admissions at the end:

Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

The U.S. Attorney does not define exactly what he means by “American citizens”, but his meaning is clear: *statutory* “citizens of the United States” as defined in [8 U.S.C. §1401](#) and excluding Fourteenth Amendment “citizens of the United States”. The U.S. attorney also fails to recognize that there are TWO and not ONE type of jurisdictions that a person can be subject to. This was alluded to by the U.S. Supreme Court in *U.S. v. Wong Kim Ark*:

*“This section contemplates two sources of citizenship, and two sources only,-birth and naturalization. The persons declared to be citizens are ‘all persons born or naturalized in the United States[\*\*\*], and subject to the jurisdiction thereof.’ The evident meaning of these last words is, not merely subject in some respect or degree to the jurisdiction of the United States[\*\*], but completely subject to their **political jurisdiction**, and owing them direct and immediate allegiance. And the words relate to the time of birth in the one case, as they do [169 U.S. 649, 725] to the time of naturalization in the other. Persons not thus subject to the jurisdiction of the United States[\*\*\*] at the time of birth cannot become so afterwards, except by being naturalized, either individually, as by proceedings under the naturalization acts, or collectively, as by the force of a treaty by which foreign territory is acquired.”*  
[*U.S. v. Wong Kim Ark*, [169 U.S. 649](#), 18 S.Ct. 456; 42 L.Ed. 890 (1898)]

A person can be subject to the “political jurisdiction” of the federal government without also being subject to the “legislative jurisdiction”. This would happen, for instance, when his domicile is outside of the “United States”. “Political jurisdiction” is NOT the same as “legislative jurisdiction”. “Political jurisdiction” was defined by the Supreme Court in *Minor v. Happersett*:

*“There cannot be a nation without a people. The very idea of a political community, such as a nation is, implies an [88 U.S. 162, 166] association of persons for the promotion of their general welfare. Each one of the persons associated becomes a member of the nation formed by the association. **He owes it allegiance and is entitled to its protection. Allegiance and protection are, in this connection, reciprocal obligations. The one is a compensation for the other; allegiance for protection and protection for allegiance.***

*“For convenience it has been found necessary to give a name to this membership. The object is to designate by a title the person and the relation he bears to the nation. For this purpose the words ‘subject,’ ‘inhabitant,’ and ‘citizen’ have been used, and the choice between them is sometimes made to depend upon the form of the government. **Citizen is now more commonly employed, however, and as it has been considered better suited to the description of one living under a republican government, it was adopted by nearly all of the States upon their separation from Great Britain, and was afterwards adopted in the Articles of Confederation and in the Constitution of the United States[\*\*\*]. When used in this sense it [the word “citizen”] is understood as conveying the idea of membership of a nation, and nothing more.**”*

*“To determine, then, who were citizens of the United States[\*\*\*] before the adoption of the amendment it is necessary to ascertain what persons originally associated themselves together to form the nation, and what were afterwards admitted to membership.”*  
[*Minor v. Happersett*, [88 U.S. 162](#) (1874)]

Notice how the Supreme court used the phrase “and nothing more”, as if to emphasize that citizenship doesn’t imply legislative jurisdiction, but simply political membership. We described in detail the two political jurisdictions within section 9.7. “Political jurisdiction” implies only the following:

1. Membership in a community (see *Minor v. Happersett*, [88 U.S. 162](#) (1874))
2. Right to vote.
3. Right to serve on jury duty.

1 “Legislative jurisdiction”, on the other hand, implies being “completely subject” and subservient to federal laws and all  
 2 “Acts of Congress”, which only people in the District of Columbia and the territories and possessions of the United  
 3 States[\*\*] can be. You can be “completely subject to the political jurisdiction” of the United States\*\* without being  
 4 subject in any degree to a specific “Act of Congress” or the Internal Revenue Code, for instance. The final nail is put in the  
 5 coffin on the subject of what “subject to the jurisdiction” means in the Fourteenth Amendment, when the Supreme Court  
 6 further said in the above case:

7 *“It is impossible to construe the words ‘subject to the jurisdiction thereof,’ in the opening sentence, as less*  
 8 *comprehensive than the words ‘within its jurisdiction,’ in the concluding sentence of the same section; or to*  
 9 *hold that persons ‘within the jurisdiction’ of one of the states of the Union are not ‘subject to the jurisdiction*  
 10 *of the United States[\*\*\*].’”*  
 11 *[U.S. v. Wong Kim Ark, 169 U.S. 649, 18 S.Ct. 456; 42 L.Ed. 890 (1898), emphasis added]*

12 So “subject to the jurisdiction” in the context of citizenship within the Fourteenth Amendment means “subject to the  
 13 **[political]** jurisdiction” of the United States\*\*\* and not legislative jurisdiction, and the Fourteenth Amendment definitely  
 14 includes people born in states of the Union.

15 A picture is worth a thousand words. We’ll now summarize the results of the preceding analysis to make it crystal clear for  
 16 visually-minded readers:

17 **Table 12: Citizenship summary**

| Citizenship                 | Defined in   | Domicile in the federal zone? | Subject to <u>legislative jurisdiction</u> /police powers? | Subject to <u>“political jurisdiction”</u> ? | A “nonresident alien”? |
|-----------------------------|--|-------------------------------|--|--|------------------------|
| “ <b>citizen</b> ”          | <a href="#">8 U.S.C. §1401</a>   | Yes                           | Yes  | Yes  | No                     |
| “ <b>resident</b> ”/“alien” | <a href="#">8 U.S.C. §1101(a)(3)</a><br><a href="#">26 U.S.C. §7701(b)(1)(A)</a> | Yes                           | Yes  | No   | No                     |
| “national”                  | <a href="#">8 U.S.C. §1101(a)(21)</a><br><a href="#">8 U.S.C. §1101(a)(22)</a>   | No                            | No   | Yes  | Yes                    |

18 The table below describes the affect that changes in domicile have on citizenship status in the case of both “foreign  
 19 nationals” and “domestic nationals”. A “domestic national” is anyone born anywhere within any one of the 50 states on  
 20 nonfederal land or who was born in any territory or possession of the United States[\*\*]. A “foreign national” is someone  
 21 who was born anywhere outside of these areas. The jurisdiction mentioned in the right three columns is the “federal zone”.

22

1 **Table 13: Affect of domicile on citizenship status**

| Description                 | CONDITION  |  |  |
|-----------------------------|--|--|--|
|                             | Domicile WITHIN the FEDERAL ZONE and located in FEDERAL ZONE   | Domicile WITHIN the FEDERAL ZONE and temporarily located abroad in foreign country   | Domicile WITHOUT the FEDERAL ZONE and located WITHOUT the FEDERAL ZONE   |
| Location of domicile        | “United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a> | “United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a> | Without the “United States” per <a href="#">26 U.S.C. §§7701(a)(9)</a> and <a href="#">(a)(10)</a> , <a href="#">7701(a)(39)</a> , <a href="#">7408(d)</a>                                   |
| Physical location           | Federal territories, possessions, and the District of Columbia   | Foreign nations ONLY (NOT states of the Union)   | Foreign nations states of the Union Federal possessions  |
| Tax Status                  | “U.S. Person” <a href="#">26 U.S.C. §7701(a)(30)</a>   | “U.S. Person” <a href="#">26 U.S.C. §7701(a)(30)</a>   | “Nonresident alien” <a href="#">26 U.S.C. §7701(b)(1)(B)</a>   |
| Tax form(s) to file         | IRS Form 1040  | IRS Form 1040 plus 2555  | IRS Form 1040NR: “alien individuals”, “nonresident alien individuals”<br><u>No filing requirement</u> : “non-citizen nationals”  |
| Status if DOMESTIC national | Citizen <a href="#">8 U.S.C. §1401</a><br>(Not required to file if physically present in the “United States” because no statute requires it)   | Citizen abroad <a href="#">26 U.S.C. §911</a><br>(Meets presence test)   | “non-citizen National” <a href="#">8 U.S.C. §1101(a)(21)</a><br><a href="#">8 U.S.C. §1101(a)(22)(B)</a><br><a href="#">8 U.S.C. §1408</a><br><a href="#">8 U.S.C. §1452</a>                 |
| Status if FOREIGN national  | “Resident alien” <a href="#">26 U.S.C. §7701(b)(1)(A)</a>  | “Resident alien abroad” <a href="#">26 U.S.C. §911</a><br>(Meets presence test)  | “Nonresident alien individual”: <a href="#">26 CFR §1.1441-1(c)(3)(ii)</a><br>“Alien”: <a href="#">8 U.S.C. §1101(a)(3)</a><br>“Alien individual”: <a href="#">26 CFR §1.1441-1(c)(3)(i)</a> |

2 **NOTES:**

- 3 1. “United States” is defined as federal territory within [26 U.S.C. §§7701\(a\)\(9\)](#) and [\(a\)\(10\)](#), [7701\(a\)\(39\)](#), and [7408\(d\)](#), and
- 4 [4 U.S.C. §110\(d\)](#). It does not include any portion of a Constitutional state of the Union.
- 5 2. The “District of Columbia” is defined as a federal corporation but not a physical place, a “body politic”, or a de jure
- 6 “government” within the District of Columbia Act of 1871, 16 Stat. 419, 426, Sec. 34. See: [Corporatization and](#)
- 7 [Privatization of the Government](#), Form #05.024; <http://sedm.org/Forms/FormIndex.htm>.
- 8 3. American nationals who are domiciled outside of federal jurisdiction, either in a state of the Union or a foreign
- 9 country, are “nationals” but not “citizens” under federal law. They also qualify as “nonresident aliens” under [26](#)
- 10 [U.S.C. §7701\(b\)\(1\)\(B\)](#).
- 11 4. Temporary domicile in the middle column on the right must meet the requirements of the “Presence test” documented
- 12 in IRS publications.
- 13 5. “FEDERAL ZONE”=District of Columbia and territories of the United States in the above table
- 14 6. The term “individual” as used on the IRS Form 1040 means an “alien” engaged in a “trade or business”. All
- 15 “taxpayers” are “aliens” engaged in a “trade or business”. This is confirmed by [26 CFR §1.1441-1\(c\)\(3\)](#), [26 CFR](#)
- 16 [§1.1-1\(a\)\(2\)\(ii\)](#), and [5 U.S.C. §552a\(a\)\(2\)](#). Statutory “U.S. citizens” as defined in [8 U.S.C. §1401](#) are not “individuals”
- 17 unless temporarily abroad pursuant to [26 U.S.C. §911](#) and subject to an income tax treaty with a foreign country. In
- 18 that capacity, statutory “U.S. citizens” interface to the I.R.C. as “aliens” rather than “U.S. citizens” through the tax
- 19 treaty.

20 When a federal officer asks you if you are a “citizen”, consider the context! The only basis for him asking this is *federal*

21 *law*, because he isn’t bound by state law. If you tell him you are a “citizen” or a “U.S. citizen”, then indirectly, you are

22 admitting that you are subject to federal law, because that’s what it means to be a “citizen” under federal law! Watch out!

23 Therefore, as people born in and domiciled within a state of the union on land that is not owned by the federal government,

24 we need to be very careful how we describe ourselves on government forms. Below is what we should say in each of the

25 various contexts to avoid misleading those asking the questions on the forms. In this context, let’s assume you were born in



1 California and are domiciled there. This guidance also applies to questions that officers of the government might ask you  
2 in each of the two contexts as well:

3 **Table 14: Describing your citizenship and status on government forms**

| # | Question on form  | Context  |  |
|---|---|--|--|
|   |   | State officer or form  | Federal officer or form  |
| 1 | Are you a “citizen”?  | Yes. Of California.  | No. Not under federal law.   |
| 2 | Are you a “national”?   | Yes. Of California.  | Yes. I’m a “national of the United States[***]” under <a href="#">8 U.S.C. §1101(a)(21)</a> but not under <a href="#">8 U.S.C. §1101(a)(22)</a>  |
| 3 | Are you a “U.S. citizen”  | No. I’m a California “citizen” or simply a “national”  | No. I’m a California citizen or simply a “national”. I am <i>not</i> a federal “citizen” because I don’t reside on federal property.   |
| 4 | Are you subject to the political jurisdiction of the United States[**]?       | Yes. I’m a state voter who influences federal elections indirectly by the representatives I elect.   | Yes. I’m a state voter who influences federal elections indirectly by the representatives I elect.   |
| 5 | Are you subject to the legislative jurisdiction of the United States[**]?     | No. I am only subject to the legislative jurisdiction of California but not the “State” of California. The “State of” California is a branch of the federal government that only has jurisdiction in federal areas within the state.                               | No. I am only subject to the laws and police powers of California, and not the federal government, because I don’t maintain a domicile on federal territory subject to “its” jurisdiction.   |
| 6 | Are you a “citizen of the United States[***]” under the Fourteenth Amendment? | Yes, but under federal law, I’m a “national”. Being a “citizen” under state law doesn’t make me subject to federal legislative jurisdiction and police powers. That status qualifies me to vote in any state election, but doesn’t make me subject to federal law. | Yes, but under federal law, I’m a “national”. Being a “citizen” under state law doesn’t make me subject to federal legislative jurisdiction and police powers. That status qualifies me to vote in any state election, but doesn’t make me subject to federal law. |

4 Now that we understand the distinctions between “citizens” and “nationals” within federal law, we are ready to tackle the  
5 citizenship issue head on.

6 Moving on, the statement is made: “Federal income tax law applies not only to all citizens of this country, but also to  
7 residents of this country.” The question then becomes: Which “country” are they talking about? What most Americans  
8 think of as one homogenous “country” actually consists of 51 independent “nations” or “sovereignities”:

9 1. The U.S. Supreme Court said that states of the Union are “nations”.

10 *“The States between each other are sovereign and independent. They are distinct and separate sovereignties,*  
11 *except so far as they have parted with some of the attributes of sovereignty by the Constitution. They continue*  
12 *to be nations, with all their rights, and under all their national obligations, and with all the rights of nations in*  
13 *every particular; except in the surrender by each to the common purposes and objects of the Union, under the*  
14 *Constitution. The rights of each State, when not so yielded up, remain absolute.”*  
15 *[Bank of Augusta v. Earle, 38 U.S. (13 Pet.) 519, 10 L.Ed. 274 (1839)]*

16 2. Definitions from Black’s Law Dictionary:

17 *Foreign States:* “Nations outside of the United States...Term may also refer to another state; i.e. a sister state.  
18 The term ‘foreign nations’, ...should be construed to mean all nations and states other than that in which the  
19 action is brought; and hence, one state of the Union is foreign to another, in that sense.”  
20 *[Black’s Law Dictionary, Sixth Edition, p. 648]*

21 *Foreign Laws:* “The laws of a foreign country or sister state.”  
22 *[Black’s Law Dictionary, Sixth Edition, p. 647]*

**Dual citizenship.** Citizenship in two different **countries**. Status of citizens of United States who reside within a state; i.e., person who are born or naturalized in the U.S. are citizens of the U.S. and the state wherein they reside.  
[Black's Law Dictionary, Sixth Edition, p. 498]

3. The U.S. code says that states of the Union are “countries”.

[TITLE 28 > PART I > CHAPTER 13 > Sec. 297.](#)  
[Sec. 297. - Assignment of judges to courts of the freely associated compact states](#)

(a) The Chief Justice or the chief judge of the United States Court of Appeals for the Ninth Circuit may assign any circuit or district judge of the Ninth Circuit, with the consent of the judge so assigned, to serve temporarily as a judge of any duly constituted court of the freely associated compact states whenever an official duly authorized by the laws of the respective compact state requests such assignment and such assignment is necessary for the proper dispatch of the business of the respective court.

(b) The Congress consents to the acceptance and retention by any judge so authorized of reimbursement from the countries referred to in subsection (a) of all necessary travel expenses, including transportation, and of subsistence, or of a reasonable per diem allowance in lieu of subsistence. The judge shall report to the Administrative Office of the United States Courts any amount received pursuant to this subsection

4. Legal encyclopedia Corpus Juris Secundum:

*"Generally, the states of the Union sustain toward each other the relationship of independent sovereigns or independent foreign states, except in so far as the United States is paramount as the dominating government, and in so far as the states are bound to recognize the fraternity among sovereignties established by the federal Constitution, as by the provision requiring each state to give full faith and credit to the public acts, records, and judicial proceedings of the other states..."*  
[81A Corpus Juris Secundum (C.J.S.) §29, legal encyclopedia]

Third, the statement is made: “As courts have stated, ‘All individuals, natural or unnatural, must pay federal income tax on their wages.’” No argument there. The term “wages” is defined in [26 U.S.C. §3401\(a\)](#) and it includes just about anything. However, those not subject to federal jurisdiction because they are “nonresident aliens” not engaged in a “trade or business”, such as American Nationals domiciled in states of the Union, are not “taxpayers”:

Title 26: Internal Revenue  
[PART 1—INCOME TAXES](#)  
[nonresident alien individuals](#)  
[§ 1.872-2 Exclusions from gross income of nonresident alien individuals.](#)

(f) Other exclusions.

Income which is from sources without [outside] the United States [federal territory per 26 U.S.C. §7701(a)(9) and (a)(10)], as determined under the provisions of sections 861 through 863, and the regulations thereunder, is not included in the gross income of a nonresident alien individual unless such income is effectively connected for the taxable year with the conduct of a trade or business in the United States by that individual. To determine specific exclusions in the case of other items which are from sources within the United States, see the applicable sections of the Code. For special rules under a tax convention for determining the sources of income and for excluding, from gross income, income from sources without the United States which is effectively connected with the conduct of a trade or business in the United States, see the applicable tax convention. For determining which income from sources without the United States is effectively connected with the conduct of a trade or business in the United States, see section 864(c)(4) and §1.864-5.

These “nontaxpayers” cannot earn “wages” as legally defined within the Internal Revenue Code unless they volunteer by signing a voluntary contract agreement called a Form W-4 that requires them to call their earnings “wages” in the sense used in the Internal Revenue Code. Only by agreeing to call them “wages” through the operation of one’s private right to contract can the earnings be subject to tax and therefore “gross income” as defined in [26 U.S.C. §61](#):

[26 CFR §31.3401\(a\)-3 Amounts deemed wages under voluntary withholding agreements](#)

(a) In general.

Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect

to which there is a voluntary withholding agreement in effect under section 3402(p). References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3).

26 CFR § 31.3402(p)-1 Voluntary withholding agreements.

(a) In general.

An employee and his employer may enter into an agreement under section 3402(b) to provide for the withholding of income tax upon payments of amounts described in paragraph (b)(1) of §31.3401(a)-3, made after December 31, 1970. **An agreement may be entered into under this section only with respect to amounts which are includible in the gross income of the employee under section 61, and must be applicable to all such amounts paid by the employer to the employee.** The amount to be withheld pursuant to an agreement under section 3402(p) shall be determined under the rules contained in section 3402 and the regulations thereunder. See §31.3405(c)-1, Q&A-3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.

**23.5.3 I.R.C. Imposes a Duty on Individuals to File on Earnings Above the Exemption Amount**

Contention:

The Internal Revenue Code imposes a duty on individuals to file tax returns and pay the appropriate amount of tax. I.R.C. §6012 states that an individual shall file a tax return if taxable income exceeds a given amount.

Authorities:

*United States v. Drefke*, 707 F.2d 978, 981 (8th Cir. 1983).

Rebuttal:

More deliberately ambiguous language. Nowhere is the term “individual” even defined in the Internal Revenue Code. The only place it is defined is in the context of the Privacy Act, which defines “individual” as a government employee:

TITLE 5 Government Organization and Employees  
PART I > CHAPTER 5 > SUBCHAPTER II > § 552a  
§ 552a. Records maintained on individuals

(a) Definitions.— For purposes of this section—

(2) the term “individual” means a citizen of the United States or an alien lawfully admitted for permanent residence;

Note the above definition is within Title 5, which is entitled “Government Organization and Employees”. This is the real “individual” that the U.S. attorney means: someone engaged in a “public office”, which is what a “trade or business” is defined as in 26 U.S.C. §7701(a)(26). After all, if he weren’t engaged in a “trade or business” and he is a “nonresident alien” domiciled in a state of the Union, then 26 CFR §1.872-2 says he earns no “gross income” and is a nontaxpayer!

Title 26: Internal Revenue  
PART 1—INCOME TAXES  
nonresident alien individuals  
§ 1.872-2 Exclusions from gross income of nonresident alien individuals.

(f) Other exclusions.

Income which is from sources without [outside] the United States [federal territory per 26 U.S.C. §7701(a)(9) and (a)(10)], as determined under the provisions of sections 861 through 863, and the regulations thereunder, is not included in the gross income of a nonresident alien individual unless such income is effectively connected for the taxable year with the conduct of a trade or business in the United States by that individual. To determine specific exclusions in the case of other items which are from sources within the United States, see the applicable sections of the Code. For special rules under a tax convention for determining the sources of income and for excluding, from gross income, income from sources without the United States which is effectively connected with the conduct of a trade or business in the United States, see the



applicable tax convention. For determining which income from sources without the United States is effectively connected with the conduct of a trade or business in the United States, see section 864(c)(4) and §1.864-5.

Most laws passed by the government can only regulate the “public conduct” of “public employees”. The notion of allowing Congress to legislate generally upon the life, liberty, and property of private citizens, in fact, is “repugnant to the Constitution”, according to the U.S. Supreme Court:

*“The power to “legislate generally upon” life, liberty, and property, as opposed to the “power to provide modes of redress” against offensive state action, was “repugnant” to the Constitution. Id., at 15. See also United States v. Reese, 92 U.S. 214, 218 (1876); United States v. Harris, 106 U.S. 629, 639 (1883); James v. Bowman, 190 U.S. 127, 139 (1903). Although the specific holdings of these early cases might have been superseded or modified, see, e.g., Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964); United States v. Guest, 383 U.S. 745 (1966), their treatment of Congress’ §5 power as corrective or preventive, not definitional, has not been questioned.”*  
[City of Boerne v. Flores, Archbishop of San Antonio, 521 U.S. 507 (1997)]

#### 23.5.4 I.R.C. Has No Application Outside the District of Columbia

##### Contention:

In addition, Defendant's representation that the internal revenue laws have no application outside the District of Columbia and other federal property is wrong. As the Supreme Court stated long ago, "The people of the United States resident within any State are subject to two governments: one State, and the other National. ..."

##### Authorities:

United States v. Cruikshank, 92 U.S. 542, 550 (1876).

##### Rebuttal:

There is no question that persons domiciled within a state are subject to two governments and two sets of law. There is, however a division of authority between the two and the power to tax internal to a state of the Union is exclusive and plenary to the state, meaning that it excludes the federal government:

*It is no longer open to question that the general government, unlike the states, Hammer v. Dagenhart, 247 U.S. 251, 275, 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, possesses no inherent power in respect of the internal affairs of the states; and emphatically not with regard to legislation. The question in respect of the inherent power of that government as to the external affairs of the Nation and in the field of international law is a wholly different matter which it is not necessary now to consider. See, however, Jones v. United States, 137 U.S. 202, 212, 11 S.Ct. 80; Nishimur Ekiu v. United States, 142 U.S. 651, 659, 12 S.Ct. 336; Fong Yue Ting v. United States, 149 U.S. 698, 705 et seq., 13 S.Ct. 1016; Burnet v. Brooks, 288 U.S. 378, 396, 53 S.Ct. 457, 86 A.L.R. 747.*  
[Carter v. Carter Coal Co., 298 U.S. 238 (1936)]

*"The difficulties arising out of our dual form of government and the opportunities for differing opinions concerning the relative rights of state and national governments are many; but for a very long time this court has steadfastly adhered to the doctrine that the taxing power of Congress does not extend to the states or their political subdivisions. The same basic reasoning which leads to that conclusion, we think, requires like limitation upon the power which springs from the bankruptcy clause. United States v. Butler, supra."*  
[Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513, 56 S.Ct. 892 (1936)]

A breakdown of that separation of taxing authority can only occur by the voluntary consent of the people themselves. The states cannot facilitate that breakdown of the separation of powers:

*"State officials thus cannot consent to the enlargement of the powers of Congress beyond those enumerated in the Constitution."*  
[New York v. United States, 505 U.S. 142; 112 S.Ct. 2408; 120 L.Ed.2d 120 (1992)]

That consent to allows federal income taxation within states of the Union requires a voluntary personal exercise of our private right to contract. A person domiciled in a state of the Union, who starts out as a “nonresident alien”, can become a “resident”, a “taxpayer”, and an “individual” under the Internal Revenue Code by making the necessary “elections” in order to be treated as a “resident” engaged in a “trade or business” instead of a “nonresident alien” not engaged in a “trade or

#### Nonresident Alien Position

263 of 327

business". That election is made as follows:

1. Pursuant to 26 CFR §31.3401(a)-3(a), a "nonresident alien" may submit an IRS Form W-4 to his private employer and thereby elect to call his earnings "wages", which makes him "effectively connected with a trade or business". This means, according to [26 U.S.C. §7701\(a\)\(26\)](#) that he is engaged in a "public office".

[26 CFR §31.3401\(a\)-3 Amounts deemed wages under voluntary withholding agreements](#)

(a) In general.

Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term "wages" includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p). References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3.

2. Pursuant to [26 U.S.C. §7701\(b\)\(4\)](#) and [26 U.S.C. §6013\(g\)](#), he can decide to file an IRS Form 1040, and thereby become a "resident alien". IRS Document 7130 identifies the IRS Form 1040 as being only suitable for use by "citizens and residents of the United States". The "individual" in the title "U.S. Individual Income Tax Return" means a "resident alien" in that scenario. This is explained in the following sources:

- 2.1. [Great IRS Hoax](#), Form #11.302, Section 5.5.3: You're Not a U.S. citizen if you file a 1040 form, You're an alien
- 2.2. [Great IRS Hoax](#), Form #11.302, Section 5.5.4 entitled: "You're not the U.S. citizen mentioned at the top of the 1040 form if you are a U.S. citizen domiciled in the federal United States"

Only AFTER the above "elections" or consent have been voluntarily procured completely absent any duress can the party become the object of involuntary IRS enforcement, and NOT before.

*"Waivers of constitutional rights not only must be voluntary but must be knowing, intelligent acts done with sufficient awareness of the relevant circumstances and likely consequences."*  
[Brady v. U.S., 397 U.S. at 749, 90 S.Ct. 1463 at 1469 (1970)]

If no consent was ever explicitly (in writing) or implicitly (by conduct) given or if consent was procured through deceit, fraud, or duress, the contract is voidable at the option of the person subject to the duress:

*"An agreement [consent] obtained by duress, coercion, or intimidation is invalid, since the party coerced is not exercising his free will, and the test is not so much the means by which the party is compelled to execute the agreement as the state of mind induced."<sup>25</sup> Duress, like fraud, rarely becomes material, except where a contract or conveyance has been made which the maker wishes to avoid. As a general rule, duress renders the contract or conveyance voidable, not void, at the option of the person coerced,<sup>26</sup> and it is susceptible of ratification. Like other voidable contracts, it is valid until it is avoided by the person entitled to avoid it.<sup>27</sup> However, duress in the form of physical compulsion, in which a party is caused to appear to assent when he has no intention of doing so, is generally deemed to render the resulting purported contract void."<sup>28</sup> [\[4\]](#)"*  
[American Jurisprudence 2d, Duress, Section 21]

AFTER a nonresident alien domiciled in a state has made the elections necessary to be treated as though he is "effectively connected with a trade or business" by voluntarily signing and submitting an IRS Form W-4, the code says he becomes a "resident alien". In fact, we allege that the term "effectively connected" is a code word for "contracted" or "consented". The act of engaging in a "trade or business" makes nonresident aliens subject to the code, and under [26 U.S.C. §7701\(a\)\(39\)](#) and [26 U.S.C. §7408\(d\)](#), their "effective domicile" shifts to the District of Columbia. Beyond that point, they become parties to federal law and whenever they walk into a federal district court, the courts are obligated to treat them as

<sup>25</sup> Brown v. Pierce, 74 U.S. 205, 7 Wall 205, 19 L Ed 134

<sup>26</sup> Barnette v. Wells Fargo Nevada Nat'l Bank, 270 U.S. 438, 70 L Ed 669, 46 S Ct 326 (holding that acts induced by duress which operate solely on the mind, and fall short of actual physical compulsion, are not void at law, but are voidable only, at the election of him whose acts were induced by it); Faske v. Gershman, 30 Misc 2d 442, 215 NYS2d 144; Glenney v. Crane (Tex Civ App Houston (1st Dist)) 352 SW2d 773, writ ref n r e (May 16, 1962); Carroll v. Fetty, 121 W Va 215, 2 SE2d 521, cert den 308 U.S. 571, 84 L Ed 479, 60 S Ct 85.

<sup>27</sup> Faske v. Gershman, 30 Misc 2d 442, 215 NYS2d 144; Heider v. Unicume, 142 Or 416, 20 P2d 384; Glenney v. Crane (Tex Civ App Houston (1st Dist)) 352 SW2d 773, writ ref n r e (May 16, 1962)

<sup>28</sup> Restatement 2d, Contracts § 174, stating that if conduct that appears to be a manifestation of assent by a party who does not intend to engage in that conduct is physically compelled by duress, the conduct is not effective as a manifestation of assent.

though they effectively are domiciled in the District of Columbia. The older versions of the Treasury Regulations demonstrate EXACTLY how this election process works to transform “nonresident aliens” into “residents” who are then “taxpayers”:

[26 CFR §301.7701-5 Domestic, foreign, resident, and nonresident persons.](#)

A domestic corporation is one organized or created in the United States, including only the States (and during the periods when not States, the Territories of Alaska and Hawaii), and the District of Columbia, or under the law of the United States or of any State or Territory. A foreign corporation is one which is not domestic. A domestic corporation is a resident corporation even though it does no business and owns no property in the United States. **A foreign corporation engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident foreign corporation, and a foreign corporation not engaged in trade or business within the United States, as a nonresident foreign corporation.** A partnership engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident partnership, and a partnership not engaged in trade or business within the United States, as a nonresident partnership. **Whether a partnership is to be regarded as resident or nonresident is not determined by the nationality or residence of its members or by the place in which it was created or organized.**

[Amended by T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), Page 4967-4975]

### **23.5.5 I.R.C. Definition of “United States” includes the “States and the District of Columbia”**

#### **Contention:**

In fact, the Internal Revenue Code's definition of "United States" includes "the States and the District of Columbia." [I.R.C. §7701\(a\)\(9\)](#);

#### **Authorities:**

*Betz*, 40 Fed.Cl. at 295; *see also Lonsdale*, 919 F.2d at 1448 (the argument that the federal government has jurisdiction only over the District of Columbia is "completely lacking in legal merit and patently frivolous").

#### **Rebuttal:**

No question that their statement is accurate, but does it clearly state the truth? Which “State” are they talking about:

#### **1. The ones in the Constitution.**

"The earliest case is that of *Hepburn v. Ellzey*, 2 Cranch, 445, 2 L.Ed. 332, in which this court held that, under that clause of the Constitution limiting the jurisdiction of the courts of the United States to controversies between citizens of different states, a citizen of the District of Columbia could not maintain an action in the circuit court of the United States. It was argued that the word 'state,' in that connection, was used simply to denote a distinct political society. 'But,' said the Chief Justice, 'as the act of Congress obviously used the word 'state' in reference to that term as used in the Constitution, it becomes necessary to inquire whether Columbia is a state in the sense of that instrument. **The result of that examination is a conviction that the members of the American confederacy only are the states contemplated in the Constitution, . . . and excludes from the term the signification attached to it by writers on the law of nations.**' This case was followed in *Barney v. Baltimore*, 6 Wall. 280, 18 L. ed. 825, and quite recently in *Hooe v. Jamieson*, 166 U.S. 395, 41 L. ed. 1049, 17 Sup. Ct. Rep. 596. The same rule was applied to citizens of territories in *New Orleans v. Winter*, 1 Wheat, 91, 4 L. ed. 44, in which an attempt was made to distinguish a territory from the District of Columbia. But it was said that 'neither of them is a state in the sense in which that term is used in the Constitution.' In *Scott v. Jones*, 5 How. 343, 12 L. ed. 181, and in *Miners' Bank v. Iowa ex rel. District Prosecuting Attorney*, 12 How. 1, 13 L. ed. 867, it was held that under the judiciary act, permitting writs of error to the supreme court of a state in cases where the validity of a state statute is drawn in question, an act of a territorial legislature was not within the contemplation of Congress."

[*Downes v. Bidwell*, 182 U.S. 244 (1901)]

#### **2. The ones defined in 26 U.S.C. §7701(a)(10).**

[TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.](#) [Internal Revenue Code]  
[Sec. 7701. - Definitions](#)

(a)(10) State

The term "State" shall be construed to include the District of Columbia, where such construction is necessary to



1 carry out provisions of this title.

2 Remember, the term “United States” as used in the Constitution and as used in Acts of Congress are two mutually exclusive  
3 places, in most acts of Congress. This was described earlier. The U.S. attorney is again trying to exploit the legal  
4 ignorance of the reader to create enough confusion to destroy the separation of powers doctrine and thereby trample on your  
5 rights and destroy the protections that it affords. This is a conspiracy against rights in violation of [18 U.S.C. §241](#), and it is  
6 being done with what we call “word smithing”, false presumption, and the abuse of law as “political propaganda” against  
7 an audience of people who went through twelve years of public (e.g. GOVERNMENT) schools and not once were taught  
8 the slightest thing about law. This is no accident, but an attempt to make government and the legal profession into the  
9 equivalent of a priesthood and an elite ruling class for the ignorant masses.

#### 10 **23.5.6 I.R.C. was enacted pursuant to the Sixteenth Amendment**

##### 11 Contention:

12 The I.R.C. was enacted by Congress pursuant to the [Sixteenth Amendment](#) and imposes an income tax on citizens and  
13 residents of the 50 states and the District of Columbia. Taxation is not limited to just the District of Columbia, but extends  
14 to “United States citizens throughout the nation, not just in federal enclaves,” such as post offices and Indian reservations.”

##### 15 Authorities:

16 *Sloan*, 939 F.2d at 501 (quoting *United States v. Collins*, 920 F.2d 619, 629 (10th Cir. 1990); *Betz*, 40 Fed.Cl. at 295; see  
17 also *In re Becraft*, 885 F.2d at 549-50 (“no semblance of merit” to claim that federal laws only apply to territories and District  
18 of Columbia); *Ward*, 833 F.2d at 1539 (contention that United States has jurisdiction only over D.C. and other federal enclaves  
19 is rejected as a “twisted conclusion”).

##### 20 Rebuttal:

21 This statement by the U.S. attorney is true if the “United States citizens” he is talking about are statutory “citizens” defined  
22 in [8 U.S.C. §1401](#) and which exclude constitutional citizens as used in the [Fourteenth Amendment](#). As pointed out earlier,  
23 “citizens of the United States” as used in the [Fourteenth Amendment](#) include persons born or naturalized in a state of the  
24 Union and exclude those born in federal territories and possessions .

25 Yes, the tax is imposed upon statutory (but NOT constitutional) “citizens of the United States” defined in [8 U.S.C. §1401](#)  
26 or 26 CFR §1.1-1(c) and “resident aliens of the United States” as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) and 26 CFR §1.1-  
27 1(a)(2)(ii). However, these persons have in common a domicile within the “United States”, which is defined in [26 U.S.C.](#)  
28 [§7701\(a\)\(9\)](#) and (a)(10) to include the District of Columbia and not expanded elsewhere within Subtitle A of the I.R.C. to  
29 include any other place. Consequently, pursuant to the rules of statutory construction, the states of the Union are excluded.

30 *“Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that **the expression of one***  
31 ***thing is the exclusion of another.** Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d 321, 325; Newblock v. Bowles,*  
32 *170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons***  
33 ***or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be***  
34 ***inferred.** Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects*  
35 *of a certain provision, other exceptions or effects are excluded.”*  
36 *[Black’s Law Dictionary, Sixth Edition, page 581]*  
37

38 *“It is axiomatic that the statutory definition of the term excludes unstated meanings of that term,”*  
39 *[Meese v. Keene, 481 U.S. 465, 484 (1987)]*

40 A person domiciled in a state of the Union, who starts out as a “nonresident alien”, can become a “resident”, a “taxpayer”,  
41 and an “individual” by making the necessary “elections” in order to be treated as a “resident” engaged in a “trade or  
42 business” instead of a “nonresident alien” not engaged in a “trade or business”. That election is made as follows:

- 43 1. Pursuant to 26 CFR §31.3401(a)-3(a), a “nonresident alien” may elect to call his earnings “wages”, which makes him  
44 “effectively connected with a trade or business”. This means, according to [26 U.S.C. §7701\(a\)\(26\)](#) that he is engaged  
45 in a “public office”.

(a) In general.

Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p). References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)-3.

2. Pursuant to 26 U.S.C. §7701(b)(4) and 26 U.S.C. §6013(g), he can decide to file an IRS Form 1040, and thereby become a “resident alien”. IRS Document 7130 identifies the IRS Form 1040 as being only suitable for use by “citizens and residents of the United States”. The “individual” in the title “U.S. Individual Income Tax Return” means a “resident alien” in that scenario. This is explained in the following sources:

- 2.1. Great IRS Hoax, Form #11.302, Section 5.5.3: You’re Not a U.S. citizen if you file a 1040 form, You’re an alien
- 2.2. Great IRS Hoax, Form #11.302, Section 5.5.4 entitled: “You’re not the U.S. citizen mentioned at the top of the 1040 form if you are a U.S. citizen domiciled in the federal United States”

When a “nonresident alien” makes that election by, for instance, submitted a 1040 form instead of the correct 1040NR form, and signs a W-4, they are treated the same as any other “resident alien” domiciled within the United States. It is perfectly legal, because it was consensual and done through the private right to contract. Since the Constitution protects the private right to contract, no law or Constitutional mandate has been violated.

### 23.5.7 Taxing power of Congress extends to all the people of all the States

#### Contention:

Although the concept of federalism recognizes the dual sovereignty of the State of North Carolina and the United States of America, North Carolina is indeed one of the fifty states constituting the United States of America.<sup>29</sup> See, e.g., *Testa v. Katt*, 330 U.S. 386, 389-91 (1947); *The Chinese Exclusion Case*, 130 U.S. 581, 604-05 (1889); *U.S. v. Cruikshank*, 92 U.S. 542, 550 (1876); *Cohens v. Virginia*, 19 U.S. 264, 380-83 (1821). “This State shall ever remain a member of the American Nation; there is no power on the part of this State to secede . . .” N.C.Const.art.I, § 4. “Every citizen of this State owes paramount allegiance to the Constitution and government of the United States, and no law or ordinance of the State in contravention or subversion thereof can have any binding force.” *Id.* at Art.I, § 5. “all persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside.” U.S.Const.Amend. XIV, § 1.

The fact that Respondent is a citizen of North Carolina does not relieve him of the rights and obligations created by the laws of the United States, including the Code. *Dennis v. U.S.*, 660 F.Supp. 870, 875 n.2 (C.D.Ill. 1987) (“[T]he taxing power of the United States of America extends to every individual who is a citizen or resident of this nation.”); *Sloan v. U.S.*, 621 F.Supp. 1072, 1073-74 (N.D. Ind. 1985) (Secretary may issue summonses to obtain information about ANY potential tax liability), aff’d. in part, dismissed in part, 812 F.2d 1410 (7th Circuit 1987), aff’d. 939 F.2d 499 (7th Cir. 1991), cert.den. \_\_\_\_ U.S. \_\_\_\_, 112 S.Ct. 940 (1992); *Channel v. U.S.*, No. C88-0118P(CS), 1988 U.S. Dist. LEXIS 16904 at \*5 (W.D. Ky. August 9, 1988)(opinion by Magistrate Judge King). To paraphrase Justice Willis Van Devanter, when Congress, in the exertion of the power confided to it by the Sixteenth amendment,<sup>30</sup> adopted by the Code, it spoke for all

<sup>29</sup> So long as the separate organization of the members be not abolished, so long as it exists by a constitutional necessity for local purposes, though it should be in perfect subordination to the general authority of the Union, it would still be, in fact and in theory, an association of States, or a confederacy. The proposed Constitution, so far from implying an abolition of the State Governments, makes them constituent parts of the national sovereignty by allowing them a direct representation in the Senate, and leaves in their possession certain exclusive and very important portions of sovereign power. This fully corresponds, in every rational import of the terms, with the idea of a Federal Government.

“The Federalist No.9, at 55 (A. Hamilton) (J. Cooke ed.1961) (emphasis added) See also, “The Federalist” No.33, at 208 (A. Hamilton) (“CONCURRENT JURISDICTION in the article of taxation was the only admissible substitute for an entire subordination, in respect to this branch of power, of the State authority to that of the Union.”).”

<sup>30</sup> U.S. Constitution, Amendment XVI: The Congress shall have the power to lay and collect taxes on income, from whatever source derived, without apportionment among the several States, and without regard to any census or

the people and all the States, and thereby established a policy for all. That policy is as much the policy of North Carolina as if the Code had emanated from the North Carolina General Assembly, and should be respected accordingly by the citizens and courts of the State of North Carolina. *Second Employers' Liability Cases*, 223 U.S. 1, 57 (1912). See also, *Claflin v. Houseman*, 93 U.S. 130, 136 (1876) ("The laws of the United States are laws in the several States, and just as much binding on the citizens and courts thereof as the State laws are.") Respondent's "foreign state of North Carolina" argument is patently frivolous,<sup>31</sup> and is hereby rejected as a basis for quashing the Collection Summonses in question.

Rebuttal:

The Court in the ruling above is trying to "cash in" on the confusion between the "States" mentioned in the Constitution and the "States" defined in the Internal Revenue Code, which are two mutually exclusive places. The "States" in the Constitution are the states of the Union, whereas those in the Internal Revenue Code include the District of Columbia and federal territories and possessions, pursuant to [26 U.S.C. §7701\(a\)\(10\)](#) and [4 U.S.C. §110\(d\)](#) and exclude states of the Union. Nowhere in Internal Revenue Code, Subtitle A is the term "States" defined to include anything other than federal areas within the external limits of a state of the Union. The "State" that the Court refers to is the same "State" mentioned in the Buck Act, which is defined in [4 U.S.C. §110\(d\)](#) as a "territory or possession" of the "United States" federal government. The states of the Union are not territories or possessions of the United States, but "foreign states" within the U.S. Code. To wit:

*"Corpus Juris Secundum Legal Encyclopedia*  
*§1. Definitions, Nature, and Distinctions*

***"The word 'territory,' when used to designate a political organization has a distinctive, fixed, and legal meaning under the political institutions of the United States, and does not necessarily include all the territorial possessions of the United States, but may include only the portions thereof which are organized and exercise governmental functions under act of congress."***

*"While the term 'territory' is often loosely used, and has even been construed to include municipal subdivisions of a territory, and 'territories of the' United States is sometimes used to refer to the entire domain over which the United States exercises dominion, the word 'territory,' when used to designate a political organization, has a distinctive, fixed, and legal meaning under the political institutions of the United States, and the term 'territory' or 'territories' does not necessarily include only a portion or the portions thereof which are organized and exercise government functions under acts of congress. The term 'territories' has been defined to be political subdivisions of the outlying dominion of the United States, and in this sense the term 'territory' is not a description of a definite area of land but of a political unit governing and being governed as such. The question whether a particular subdivision or entity is a territory is not determined by the particular form of government with which it is, more or less temporarily, invested.*

**"Territories' or 'territory' as including 'state' or 'states.'" While the term 'territories of the' United States may, under certain circumstances, include the states of the Union, as used in the federal Constitution and in ordinary acts of congress "territory" does not include a foreign state.**

***"As used in this title, the term 'territories' generally refers to the political subdivisions created by congress, and not within the boundaries of any of the several states."***  
*[Corpus Juris Secundum (legal encyclopedia), Territories, §1]*

Based on the judge's comments, the legal encyclopedia is "patently frivolous", which is absurd!

The part of the states of the Union that are "possessions of the United States", such as federal enclaves or areas within the states, are the place where the Internal Revenue Code applies pursuant to the Buck Act, [4 U.S.C. §106](#), and its implementing provisions found in [5 U.S.C. §5517](#). These areas are collectively referred to as the "federal zone". This is the "nation" that the court is referring to, which is "the federal zone". You will note that the U.S. Supreme Court said that the United States of America is NOT a "nation", but a society.

---

enumeration.

<sup>31</sup> The contention that appellants are not taxpayers because they are 'free born, white, preamble, sovereign, natural, individual common law 'de jure' citizens of Kansas' is frivolous." *U.S. v. Dawes*, 874 F.2d 746, 750-51 (10th Cir.1989). See also *U.S. v. Studley*, 783 F.2d 934, 937 (9th Cir. 1986) (an "absolute, freeborn and natural individual" is still a "person" under the Code and thus is subject to its provisions).



1 **“By that law the several States and Governments spread over**  
2 **our globe, are considered as forming a society, not a**  
3 **NATION.**

4 *It has only been by a very few comprehensive minds, such as those of Elizabeth and the*  
5 *Fourth Henry, that this last great idea has been even contemplated. 3rdly. and chiefly, I shall examine the*  
6 *important question before us, by the Constitution of the United States, and the legitimate result of that valuable*  
7 *instrument. “*

*[Chisholm v. Georgia, 2 Dall. (U.S.) 419, 1 L.Ed. 440 (1793)]*

8 The Court is trying to use “words of art” to destroy the separation of powers between the state and federal governments and  
9 thereby undermine the rights of the litigant, which is a conspiracy against rights. This conspiracy to destroy the separation  
10 of powers and thereby undermine our Constitutional rights is exhaustively described below:

*Government Conspiracy to Destroy the Separation of Powers, Form #05.023*

<http://sedm.org/Forms/FormIndex.htm>

11 We agree with the judge that the taxing power of the “United States of America”, which are the states United under the  
12 Constitution and mentioned in the Articles of Confederation and which excludes the federal “States” (territories and  
13 possessions defined in [4 U.S.C. §110\(d\)](#)) mentioned in the Internal Revenue Code, Subtitle A, extends to every “individual”  
14 who is a “citizen” or “resident” of the federal zone. *Dennis v. U.S.*, 660 F.Supp. 870, 875 n.2 (C.D.Ill. 1987) (“[T]he taxing  
15 power of the United States of America extends to every individual who is a citizen or resident of this nation.”). However,  
16 human beings domiciled within a state of the Union are *not* statutory “citizens” as defined in [8 U.S.C. §1401](#), nor  
17 “residents”, as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#). Congress enjoys no legislative authority within a state of the Union  
18 because of the separation of powers.

19 *It is no longer open to question that the general government, unlike the states, Hammer v. Dagenhart, 247*  
20 *U.S. 251, 275, 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, possesses no inherent power in respect of the*  
21 *internal affairs of the states; and emphatically not with regard to legislation. The question in respect of the*  
22 *inherent power of that government as to the external affairs of the Nation and in the field of international law is*  
23 *a wholly different matter which it is not necessary now to consider. See, however, Jones v. United States, 137*  
24 *U.S. 202, 212, 11 S.Ct. 80; Nishimur Ekiu v. United States, 142 U.S. 651, 659, 12 S.Ct. 336; Fong Yue Ting v.*  
25 *United States, 149 U.S. 698, 705 et seq., 13 S.Ct. 1016; Burnet v. Brooks, 288 U.S. 378, 396, 53 S.Ct. 457, 86*  
26 *A.L.R. 747.*

27 *[Carter v. Carter Coal Co., 298 U.S. 238 (1936)]*

28 Consequently, no “act of Congress” can lawfully prescribe the citizenship status of a person born in a state of the Union or  
29 confer citizenship upon a person born in a state of the Union. State law, which is “plenary” and “exclusive” within its  
30 INTERNAL borders, is the only thing that can lawfully prescribe this under the Constitution. This is exhaustively proven  
31 in the paper below:

*Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006*

<http://sedm.org/Forms/FormIndex.htm>

32 The judge also doesn’t define what he means by “individual” and the Internal Revenue Code very deliberately doesn’t  
33 define it. However, as we showed earlier in section 23.5.3, all “Individuals” within the Internal Revenue Code are federal  
34 “employees”, officers, agencies, and instrumentalities and *exclude* private Americans domiciled in the states. The only  
35 thing Congress has authority to legislate for are its own “employees”, officers, and instrumentalities. This is further  
36 exhaustively analyzed in the following memorandum of law:

*Why Your Government is Either a Thief or You are a “Public Officer” for Income Tax Purposes, Form #05.008*

<http://sedm.org/Forms/FormIndex.htm>

37 The fox, which is the government, cannot be in charge of protecting the rights of the chickens, who are “private citizens”  
38 who are not “public officers” engaged in a “trade or business”, and simultaneously also have the authority to take those  
39 rights away through its legislation. This is an absurdity and on this subject, the judge contradicts himself.

40 Yes, the Secretary may issue summonses to inquire about liability. *Sloan v. U.S.*, 621 F.Supp. 1072, 1073-74 (N.D. Ind.  
41 1985) (Secretary may issue summonses to obtain information about ANY potential tax liability), *aff’d* in part, dismissed in  
42 part, 812 F.2d 1410 (7th Circuit 1987), *aff’d* 939 F.2d 499 (7th Cir. 1991), cert.den. \_\_\_\_ U.S. \_\_\_\_, 112 S.Ct. 940 (1992).

1 However, the summonses can only be issued to address activity within “internal revenue districts” pursuant to 26 U.S.C.  
2 §7601 and the only remaining internal revenue district is found in the District of Columbia pursuant to Treasury Order 150-  
3 02. 26 U.S.C. §7621 confers upon the President the authority to establish “internal revenue districts” within the “United  
4 States” (federal zone). By virtue of 3 U.S.C. §301, the President can delegate authority vested in him via Executive Order.  
5 A former president delegated authority for the Secretary of the Treasury to establish internal revenue districts via Executive  
6 Order 10289, as amended. You will find Executive Order 10289 published pursuant to 3 U.S.C. §301. If we refer to 26  
7 CFR §301.7601-1, we find that Executive Order 10289 is in fact the authority for the Secretary of the Treasury to establish  
8 internal revenue districts. The original authority for internal revenue districts was found in Treasury Order 150-01. The  
9 effect in law of the IRS Restructuring and Reform Act of 1998 was that the Secretary of the Treasury, in Treasury Order  
10 150-02, abolished all then existing internal revenue districts and IRS offices outside of the District of Columbia or in states  
11 of the Union.

12 Consequently, the only place the IRS has summons authority is within the District of Columbia and certainly not within  
13 states of the Union that are not exclusive federal territory. If the esteemed judge disagrees, he is demanded to prove the  
14 existence of internal revenue districts within any state of the Union. We have been looking for several years for this  
15 information and have not found it, nor has any IRS employee we have ever met been able to produce it. Happy hunting!

16 We agree with the judge that “dual sovereignty” is shared between the federal government and the states. *Second*  
17 *Employers’ Liability Cases*, 223 U.S. 1, 57 (1912). See also, *Clafflin v. Houseman*, 93 U.S. 130, 136 (1876) (“The laws of  
18 the United States are laws in the several States, and just as much binding on the citizens and courts thereof as the State laws  
19 are.”) However, the constitution delegates to the federal government authority primarily over affairs EXTERNAL to states  
20 of the Union while the states of the Union enjoy plenary power and exclusive legislative jurisdiction within their own  
21 INTERNAL borders. This is exhaustively explained in the case of *United States v. Curtiss-Wright Export Corporation*,  
22 299 U.S. 304 (1936). Yes, the exertion of the plenary lawmaking powers of Congress over EXTERNAL affairs is binding  
23 upon citizens of the states of the Union, but only indirectly and not directly. *Carter v. Carter Coal Co.*, 298 U.S. 238  
24 (1936). Persons domiciled in states of the Union are affected by tariffs on imports imposed by Congress, but are not bound  
25 to directly pay them or to directly observe the laws that pay them. These tariffs instead are paid by companies importing  
26 the goods and those costs are added by the importer to the price of the merchandise sold once it enters the states.

27 “Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and  
28 with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to  
29 trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive  
30 power; and the same observation is applicable to every other power of Congress, to the exercise of which the  
31 granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.

32 But very different considerations apply to the **internal commerce** or **domestic trade** of the **States**. Over this  
33 commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs  
34 **exclusively** to the States. **No interference by Congress with the business of citizens transacted within a State is**  
35 **warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to**  
36 **the legislature**. The power to authorize a business within a State is plainly repugnant to the exclusive power of  
37 the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given  
38 in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it  
39 must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited,  
40 and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing  
41 subjects. Congress cannot authorize a trade or business within a State in order to tax it.”  
42 [License Tax Cases, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]

43 As far as the last item above goes, which is that of taxation, however, the U.S. Supreme Court has stated:

44 “**The States, after they formed the Union, continued to have the same range of taxing power which they had**  
45 **before, barring only duties affecting exports, imports, and on tonnage.** 2 Congress, on the other hand, to lay  
46 taxes in order 'to pay the Debts and provide for the common Defence and general Welfare of the United States',  
47 Art. 1, Sec. 8, U.S.C.A.Const., can reach every person and every dollar in the land with due regard to  
48 Constitutional limitations as to the method of laying taxes.”  
49 [Graves v. People of State of New York, 306 U.S. 466 (1939)]

51 “The difficulties arising out of our dual form of government and the opportunities for differing opinions  
52 concerning the relative rights of state and national governments are many; **but for a very long time this court**  
53 **has steadfastly adhered to the doctrine that the taxing power of Congress does not extend to the states or**  
54 **their political subdivisions**. The same basic reasoning which leads to that conclusion, we think, requires like  
55 limitation upon the power which springs from the bankruptcy clause. *United States v. Butler*, *supra*.”  
56 [Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513; 56 S.Ct. 892 (1936)]



1  
2 "The grant of the power to lay and collect taxes is, like the power to regulate commerce, made in general  
3 terms, and has never been understood to interfere with the exercise of the same power by the State; and  
4 hence has been drawn an argument which has been applied to the question under consideration. But the two  
5 grants are not, it is conceived, similar in their terms or their nature. Although many of the powers formerly  
6 [22 U.S. 1, 199] exercised by the States, are transferred to the government of the Union, yet the State  
7 governments remain, and constitute a most important part of our system. The power of taxation is indispensable  
8 to their existence, and is a power which, in its own nature, is capable of residing in, and being exercised by,  
9 different authorities at the same time. We are accustomed to see it placed, for different purposes, in different  
10 hands. Taxation is the simple operation of taking small portions from a perpetually accumulating mass,  
11 susceptible of almost infinite division; and a power in one to take what is necessary for certain purposes, is not,  
12 in its nature, incompatible with a power in another to take what is necessary for other purposes. Congress is  
13 authorized to lay and collect taxes, and to pay the debts, and provide for the common defence and general  
14 welfare of the United States. This does not interfere with the power of the States to tax [internally] for the  
15 support of their own governments; nor is the exercise of that power by the States [to tax INTERNALLY], an  
16 exercise of any portion of the power that is granted to the United States [to tax EXTERNALLY]. In imposing  
17 taxes for State purposes, they are not doing what Congress is empowered to do. Congress is not empowered  
18 to tax for those purposes which are within the exclusive province of the States. When, then, each  
19 government exercises the power of taxation, neither is  
20 exercising the power of the other. But, when a State proceeds to regulate commerce  
21 with foreign nations, or among the several States, it is exercising the very power that is granted to Congress,  
22 [22 U.S. 1, 200] and is doing the very thing which Congress is authorized to do. There is no analogy, then,  
23 between the power of taxation and the power of regulating commerce. "  
24 [Gibbons v. Ogden, 22 U.S. 21 (1824)]

26 "In Slaughter-house Cases, 16 Wall. 62, it was said that the police power is, from its nature, incapable of any  
27 exact definition or limitation; and in Stone v. Mississippi, 101 U.S. 818 , that it is 'easier to determine whether  
28 particular cases come within the general scope of the power than to give an abstract definition of the power  
29 itself, which will be in all respects accurate.' That there is a power, sometimes called the police power, which  
30 has never been surrendered by the states, in virtue of which they may, within certain limits, control  
31 everything within their respective territories, and upon the proper exercise of which, under some  
32 circumstances, may depend the public health, the public morals, or the public safety, is conceded in all the  
33 cases. Gibbons v. Ogden, 9 Wheat. 203. In its broadest sense, as sometimes defined, it includes all legislation  
34 and almost every function of civil government. Barbier v. Connolly, 113 U.S. 31 ; S. C. 5 Sup. Ct. Rep. 357. [.  
35 .] Definitions of the police power must, however, be taken subject to the condition that  
36 the state cannot, in its exercise, for any purpose whatever, encroach upon the powers  
37 of the general [federal] government, or rights granted or secured by the supreme law of  
38 the land.

39 "Illustrations of interference with the rightful authority of the general government by  
40 state legislation-which was defended upon the ground that it was enacted under the  
41 police power-are found in cases where enactments concerning the introduction of  
42 foreign paupers, convicts, and diseased persons were held to be unconstitutional as  
43 conflicting, by their necessary operation and effect, with the paramount authority of  
44 congress to regulate commerce with foreign nations, and among the several states. In  
45 Henderson v. Mayor of New York, 92 U.S. 263 , the court, speaking by Mr. Justice MILLER, while declining to  
46 decide whether in the absence of congressional action the states can, or how far they may, by appropriate  
47 legislation protect themselves against actual paupers, vagrants, criminals, [115 U.S. 650, 662] and diseased  
48 persons, arriving from foreign countries, said, that no definition of the police power, and 'no urgency for its  
49 use, can authorize a state to exercise it in regard to a subject-matter which has been confided exclusively to the  
50 discretion of congress by the constitution.' Chy Lung v. Freeman, 92 U.S. 276 . And in Railroad Co.  
51 v. Husen, 95 U.S. 474 , Mr. Justice STRONG, delivering the opinion of  
52 the court, said that 'the police power of a state cannot obstruct foreign  
53 commerce or interstate commerce beyond the necessity for its exercise;  
54 and, under color of it, objects not within its scope cannot be secured at  
55 the expense of the protection afforded by the federal constitution.' "  
56 [New Orleans Gas Company v. Louisiana Light Company, 115 U.S. 650 (1885)]

57 And the Federalist Paper # 45 confirms this view in regards to taxation:



1 "It is true, that the Confederacy is to possess, and may exercise, the power of collecting internal as well as  
2 external taxes throughout the States; but it is probable that this power will not be resorted to, except for  
3 supplemental purposes of revenue; that an option will then be given to the States to supply their quotas by  
4 previous collections of their own; and that the eventual collection, under the immediate authority of the  
5 Union, will generally be made by the officers, and according to  
6 the rules, appointed by the several States. Indeed it is  
7 extremely probable, that in other instances, particularly in the  
8 organization of the judicial power, the officers of the States  
9 will be clothed with the correspondent authority of the Union.  
10 "

11 "Should it happen, however, that separate collectors of internal revenue should be appointed under the federal  
12 government, the influence of the whole number would not bear a comparison with that of the multitude of State  
13 officers in the opposite scale. "

14 "Within every district to which a federal collector would be allotted, there would not be less than thirty or forty,  
15 or even more, officers of different descriptions, and many of them persons of character and weight, whose  
16 influence would lie on the side of the State. **The powers delegated by the proposed Constitution to the federal**  
17 **government are few and defined. Those which are to remain in the State governments are numerous and**  
18 **indefinite. The former will be exercised principally on external objects, as war, peace, negotiation, and**  
19 **foreign commerce; with which last the power of taxation will, for the most part, be connected. The powers**  
20 **reserved to the several States will extend to all the objects which, in the ordinary course of affairs, concern**  
21 **the lives, liberties, and properties of the people, and the internal order, improvement, and prosperity of the**  
22 **State. The operations of the federal government will be most extensive and important in times of war and**  
23 **danger; those of the State governments, in times of peace and security. As the former periods will probably**  
24 **bear a small proportion to the latter, the State governments will here enjoy another advantage over the**  
25 **federal government. The more adequate, indeed, the federal powers may be rendered to the national defense,**  
26 **the less frequent will be those scenes of danger which might favor their ascendancy over the governments of**  
27 **the particular States."**

28 [Federalist Paper No. 45 (Jan. 1788), James Madison]

29 The introduction of the Sixteenth Amendment did not change any of the above. Even the Supreme Court agreed in the case  
30 of *Stanton v. Baltic Mining* that the Sixteenth Amendment "conferred no new powers of taxation", and they wouldn't have  
31 said it and repeated it if they didn't mean it. Whether or not the Sixteenth Amendment was properly ratified is  
32 inconsequential and a nullity, because of the limited applicability of Subtitle A of the Internal Revenue Code to the federal  
33 zone. The Sixteenth Amendment authorized that:

34 Sixteenth Amendment

35 *The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without*  
36 *apportionment among the several States, and without regard to any census or enumeration.*

37 And in fact, the above described amendment is *exactly* what an income tax under Subtitle A that only operates inside the  
38 federal zone does: collect taxes on incomes *without* apportionment within federal territory against those engaging in  
39 voluntary excise taxable federal franchises such as "domicile" and a "trade or business" (public office). It operates  
40 extraterritorially in the case of "public officers" abroad who continue to maintain a domicile in the "United States" (federal  
41 zone) pursuant to 26 U.S.C. §911 but has no authority to operate within the exclusive jurisdiction of any state of the Union.  
42 Furthermore, because the federal zone is not protected by the Constitution or the Bill of Rights (see *Downes v. Bidwell*, 182  
43 U.S. 244 (1901)), then there can be no violation of constitutional rights from the enforcement of the I.R.C. there. As a  
44 matter of fact, since due process of law is a requirement only of the Bill of Rights, and the Bill of Rights doesn't apply in  
45 the federal zone, then technically, Congress doesn't even need a law to legitimately collect taxes in these areas! The federal  
46 zone, recall, is a totalitarian socialist democracy, not a republic, and the legislature and the courts can do anything they like  
47 there without violating the Bill of Rights or our Constitutional rights.

48 With all the above in mind, let's return to the following cites to further analyze them

49 "The laws of the United States are laws in the several States, and just as much binding on the citizens and  
50 courts thereof as the State laws are. The United States is not a foreign sovereignty as regards the several States,  
51 but is a concurrent, and, within its jurisdiction, paramount sovereignty. Every citizen of a State is a subject of  
52 two distinct sovereignties, having concurrent jurisdiction in the State,-concurrent as to place and persons,  
53 though distinct as to subject-matter."

[*Claflin v. Houseman*, 93 U.S. 130, 136 (1876)]

"And the powers of the General Government, and of the State, although both exist and are exercised within the same territorial limits, are yet separate and distinct sovereignties, acting separately and independently of each other, within their respective spheres."  
[*Ableman v. Booth*, [62 U.S. 506](#), 516 (1858)]

The Constitution and the Bill of Rights, which are the "laws" of the United States, apply equally to both the union states AND the federal government, as the cites explain. That is why either state or federal officers both have to take an oath to support and defend the Constitution before they take office. However, the statutes or legislation passed by Congress, which are called "Acts of Congress" have much more limited jurisdiction inside the Union states, and in most cases, do not apply at all. For example:

[TITLE 18 > PART III > CHAPTER 301 > Sec. 4001.](#)  
[Sec. 4001. - Limitation on detention; control of prisons](#)

(a) No citizen shall be imprisoned or otherwise detained by the United States except pursuant to an Act of Congress.

The reason for the above is because the federal government has no police powers inside the states because these are reserved by the Tenth Amendment to the state governments. Likewise, the feds have no territorial jurisdiction for most subject matters inside the states either. See *U.S. v. Bevens*, [16 U.S. 336](#) (1818).

Now if we look at the meaning of "Act of Congress", we find such a definition in [Rule 54\(c\) of the Federal Rules of Criminal Procedure](#) prior to Dec. 2002, wherein is defined "Act of Congress." Rule 54(c) states:

*Federal Rule of Criminal Procedure 54(c), prior to Dec. 2002*

"Act of Congress" includes any act of Congress locally applicable to and in force in the District of Columbia, in Puerto Rico, in a territory or in an insular possession."

Keep in mind, the Internal Revenue Code is an "Act of Congress." The reason such "Acts of Congress" cannot apply within the sovereign states is because the federal government lacks what is called "police powers" inside the union states, and the Internal Revenue Code requires police powers to implement and enforce. THEREFORE, THE QUESTION IS, ON WHICH OF THE FOUR LOCATIONS NAMED IN RULE 54(c) IS THE UNITED STATES DISTRICT COURT ASSERTING JURISDICTION WHEN THE U.S. ATTORNEY HAULS YOUR ASS IN COURT ON AN INCOME TAX CRIME? Hint, everyone knows what and where the District of Columbia is, and everyone knows where Puerto Rico is, and territories and insular possessions are defined in [Title 48 United States Code](#), happy hunting!

The preceding discussion within this section is also confirmed by the content of [4 U.S.C. §72](#). Subtitle A is primarily a "privilege" tax upon a "trade or business". See and rebut the following if you disagree:

*The "Trade or Business" Scam*, Form #05.001  
<http://sedm.org/Forms/FormIndex.htm>

A "trade or business" is defined in [26 U.S.C. §7701\(a\)\(26\)](#) as "the functions of a public office":

[26 U.S.C. §7701 Definitions](#)

(a)(26) Trade or business

"The term 'trade or business' includes the performance of the functions of a [public office](#)."

Title 4 of the U.S. Code then says that all "public offices" MUST be exercised ONLY in the District of Columbia and no place else, except as expressly provided by law:

[TITLE 4 > CHAPTER 3 > § 72](#)  
[§ 72. Public offices; at seat of Government](#)

All offices attached to the seat of government shall be exercised in the District of Columbia, and not elsewhere,

1                   except as otherwise expressly provided by law.

2     If the we then search all the titles of the U.S. Code electronically, we find only one instance where “public offices” are  
3     “expressly provided” by law to a place other than the seat of government in connection with the Internal Revenue Code.  
4     That reference is found in [48 U.S.C. §1612](#), which expressly provides that public offices for the U.S. Attorney are extended  
5     to the Virgin Islands to enforce the provisions of the Internal Revenue Code.

6     Consequently, the judge’s arguments against the idea that a person domiciled in a state of the Union on other than federal  
7     territory is not a “nonresident alien” is “patently frivolous”.

#### 8     **23.5.8   Ambort v. United States**

9     A series of cases occurred in connection with a fellow named Ernest Ambort, who was convicted of 69 counts of filing  
10    fraudulent tax returns for clients using IRS Form 1040NR:

- 11    1.   USA v. Ambort, 06-cv-00642 (2008)
- 12    2.   Ambort v. U.S., 392 F.3d 1138 (2004)
- 13    3.   U.S. v. Ambort, 193F3d1169 (1999)
- 14    4.   U.S. v. Ambort, 405 F3d 1109 (2005)

15    Ambort started a business whereby he prepared nonresident alien returns for others, claiming that:

- 16    1.   The Fourteenth Amendment described the citizenship of only those domiciled on federal territory and not those  
17        domiciled in states of the Union.
- 18    2.   Anyone can claim “nonresident alien” status regardless of where they are born and without changing their behavior at  
19        all.

20    The gist of Ambort’s arguments was as follows:

21                   *The basic precept of the ADL’s seminars was that anyone can, for federal income tax purposes, claim to be a*  
22                   *“nonresident alien” with no domestic-source income. ADL instructors told participants that the Fourteenth*  
23                   *Amendment changed the definition of citizenship so that only non-white residents of the territorial United States*  
24                   *were actually “residents” for income tax purposes. Thus, Ambort and his co-defendants told customers that*  
25                   *they were to claim on their income tax returns that they were nonresident aliens, regardless of their place of*  
26                   *birth, and to write “n/a” in the place where the tax forms asked for the taxpayer’s social security number. They*  
27                   *also told customers that they could use IRS Form 1040X to file a corrected return for the previous three tax*  
28                   *years, assert nonresident status for each year, and obtain a full refund of any taxes paid or withheld for that*  
29                   *period.*  
30                   *[USA v. Ambort, 06-cv-00642 (2008)]*

31    Ambort’s approach was seriously defective. Below is a list of things he overlooked and/or did wrong:

- 32    1.   He never challenged the willfulness component of the crimes he was charged with and if he had, we predict that the  
33        results would have been different. The I.R.C. is not positive law and therefore not legal evidence of a liability.  
34        1.1. 1 U.S.C. §204 legislative notes makes the entire title nothing but a presumption that is not evidence. It identifies  
35        the title as “prima facie” evidence, meaning just a presumption:

36                   *“**Prima facie.** Lat. At first sight on the first appearance; on the face of it; so far as can be judged from the first*  
37                   *disclosure; **presumably; a fact presumed to be true unless disproved by some evidence to the contrary.** State*  
38                   *ex rel. Herbert v. Whims, 68 Ohio App. 39, 38 N.E.2d 596, 499, 22 O.O. 110. See also Presumption.”*  
39                   *[Black’s Law Dictionary, Sixth Edition, p. 1189]*

- 40    1.2. Presumptions do NOT constitute evidence of a liability.

41                   *This court has never treated a presumption as any form of evidence. See, e.g., [A.C. Aukerman Co. v. R.L.](#)*  
42                   *[Chaides Constr. Co.](#), 960 F.2d 1020, 1037 (Fed.Cir.1992) (“[A] presumption is not evidence.”); see also [Del](#)*  
43                   *[Vecchio v. Bowers](#), 296 U.S. 280, 286, 56 S.Ct. 190, 193, 80 L.Ed. 229 (1935) (“[A presumption] cannot*  
44                   *acquire the attribute of evidence in the claimant’s favor.”); [New York Life Ins. Co. v. Gamer](#), 303 U.S. 161,*  
45                   *171, 58 S.Ct. 500, 503, 82 L.Ed. 726 (1938) (“[A] presumption is not evidence and may not be given weight as*  
46                   *evidence.”). Although a decision of this court, [Jensen v. Brown](#), 19 F.3d 1413, 1415 (Fed.Cir.1994), dealing*  
47                   *with presumptions in VA law is cited for the contrary proposition, the Jensen court did not so decide.*



1.3. No judge has the statutorily delegated authority to convert presumptions into evidence without violating due process of law. If he does, he is:

1.3.1. Violating his delegated authority.

1.3.2. Violating equal protection of the law. The defendant is just as entitled to presume that he is NOT subject to the code and NOT a “taxpayer” as the judge is entitled that he IS. The only thing that can convert private law into “law” in the case of the defendant is written, express evidence of consent to participate in what amounts to nothing more than a “trade or business” franchise agreement. See the following for how this franchise and excise tax operates:

*The “Trade or Business” Scam*, Form #05.001

<http://sedm.org/Forms/FormIndex.htm>

1.3.3. Imposing what is called a “statutory presumption” that is unconstitutional, keeping in mind that an entire title or subtitle of any code can be a “statutory presumption” just as readily as a single statute:

**Statutes creating permanent irrebuttable presumptions have long been disfavored under the Due Process Clauses of the Fifth and Fourteenth Amendments.** In *Heiner v. Donnan*, 285 U.S. 312, 52 S.Ct. 358, 76 L.Ed. 772 (1932), the Court was faced with a constitutional challenge to a federal statute that created a conclusive presumption that gifts made within two years prior to the donor's death were made in contemplation of death, thus requiring payment by his estate of a higher tax. In holding that this irrefutable assumption was so arbitrary and unreasonable as to deprive the taxpayer of his property without due process of law, the Court stated that it had ‘held more than once that a statute creating a presumption which operates to deny a fair opportunity to rebut it violates the due process clause of the Fourteenth Amendment.’ *Id.*, at 329, 52 S.Ct., at 362. See, e.g., *Schlesinger v. Wisconsin*, 270 U.S. 230, 46 S.Ct. 260, 70 L.Ed. 557 (1926); *Hoeper v. Tax Comm’n*, 284 U.S. 206, 52 S.Ct. 120, 76 L.Ed. 248 (1931). See also *Tot v. United States*, 319 U.S. 463, 468-469, 63 S.Ct. 1241, 1245-1246, 87 L.Ed. 1519 (1943); *Leary v. United States*, 395 U.S. 6, 29-53, 89 S.Ct. 1532, 1544-1557, 23 L.Ed.2d 57 (1969). Cf. *Turner v. United States*, 396 U.S. 398, 418-419, 90 S.Ct. 642, 653-654, 24 L.Ed.2d 610 (1970).

[*Vlandis v. Kline*, 412 U.S. 441 (1973)]

1.4. Any attempt to convert a presumption into evidence in the case of those protected by the Constitution and therefore possessed of constitutional rights is a violation of due process of law that renders a void judgment.

(1) [8:4993] **Conclusive presumptions affecting protected interests:**

A conclusive presumption may be defeated where its application would impair a party's constitutionally-protected liberty or property interests. In such cases, conclusive **presumptions have been held to violate a party's due process and equal protection rights.** [*Vlandis v. Kline* (1973) 412 U.S. 441, 449, 93 S.Ct. 2230, 2235; *Cleveland Bd. of Ed. v. LaFleur* (1974) 414 US 632, 639-640, 94 S.Ct. 1208, 1215-presumption under Illinois law that unmarried fathers are unfit violates process]

[*Rutter Group Practice Guide-Federal Civil Trials and Evidence*, paragraph 8:4993, page 8K-34]

The above is exhaustively explained in the following, which should have ended up in his administrative record every chance he had. The document below, by the way, is a mandatory basis for belief of all those who are Members of this fellowship precisely because of what happens to people like Ambort who don't rely on it:

*Reasonable Belief About Income Tax Liability*, Form #05.007

<http://sedm.org/Forms/FormIndex.htm>

2. He filed IRS Form 1040X for past years for clients who previously filed IRS Form 1040.

2.1. This is the WRONG form for a nonresident alien. The 1040X does not allow the filer to change status from resident in a previous filing to nonresident in the current filing. The only way one can change status from a resident alien to a nonresident alien for a prior year is to file 1040NR and NOT 1040X. All his clients had previously and erroneously filed “RESIDENT” 1040 tax returns.

2.2. He should have used a nontaxpayer form, such as the following form on our website, so that he wasn't presumed to be a “taxpayer”:

*Federal Nonresident Nonstatutory Claim for Return of Funds Unlawfully Paid to the Government-Long*, Form #15.001

<http://sedm.org/Forms/FormIndex.htm>

3. The Fourteenth Amendment, Section 1 DOES describe the citizenship of those born in states of the Union and outside of federal territory. The U.S. Supreme Court affirmed this conclusion at least twice that we know of, and they did so AFTER the Fourteenth Amendment was ratified:

1 *"It is impossible to construe the words 'subject to the jurisdiction thereof,' in the opening sentence, as less*  
2 *comprehensive than the words 'within its jurisdiction,' in the concluding sentence of the same section; or to*  
3 *hold that persons 'within the jurisdiction' of one of the states of the Union are not 'subject to the jurisdiction*  
4 *of the United States[\*\*\*].'"*

5 [U.S. v. Wong Kim Ark, 169 U.S. 649, 18 S.Ct. 456; 42 L.Ed. 890 (1898), emphasis added]

6 *"The 1<sup>st</sup> section of the 14<sup>th</sup> article [Fourteenth Amendment], to which our attention is more specifically invited,*  
7 *opens with a definition of citizenship—not only citizenship of the United States[\*\*\*], but citizenship of the*  
8 *states. No such definition was previously found in the Constitution, nor had any attempt been made to define*  
9 *it by act of Congress. It had been the occasion of much discussion in the courts, by the executive departments*  
10 *and in the public journals. It had been said by eminent judges that no man was a citizen of the United*  
11 *States[\*\*\*] except as he was a citizen of one of the states composing the Union. Those therefore, who had*  
12 *been born and resided always in the District of Columbia or in the territories, though within the United*  
13 *States[\*], were not citizens. Whether this proposition was sound or not had never been judicially decided."*

14 [Slaughter-House Cases, 83 U.S. (16 Wall.) 36, 21 L.Ed. 394 (1873)]

- 15 4. Ambort filed IRS Form 1040NR for his clients without modifications or attachments that would have confined its  
16 significance or defined any of the words on the form. This left him and his clients a sitting duck to become a victim  
17 and a slave of the rampant presumptions of both the IRS and the Court. See:

*Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction*, Form #05.017

<http://sedm.org/Forms/FormIndex.htm>

18 As you probably know, all IRS forms are for "taxpayers" and if you are a "nontaxpayer" you only have three choices in  
19 order to preserve your status:

- 20 4.1. Use AMENDED IRS forms that remove the presumption of "taxpayer" status. See the following for a source of  
21 AMENDED IRS forms.:

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormsPubs.htm>

- 22 4.2. Use STANDARD IRS forms and then modify them to correctly reflect your status. The modifications required  
23 are listed in Section 1 of the link above. Sometimes, the IRS tries to penalize people who "alter" their forms.

- 24 4.3. Use STANDARD IRS forms that you don't modify but above your signature write "Not valid without signed Tax  
25 Form Attachment attached" and then attach this form. This approach avoids any penalties the IRS might attempt  
26 to impose for "altering" their forms, and yet avoids you having to commit perjury under penalty of perjury on a  
27 government form. The form to attach is the following:

*Tax Form Attachment*, Form #04.201

<http://sedm.org/Forms/FormIndex.htm>

- 28 5. Ambort didn't understand the distinctions between a franchisee called a "taxpayer" and those who are not "taxpayers"  
29 as defined in 26 U.S.C. §7701(a)(14).

- 30 5.1. He cited provisions of the "taxpayer" franchise agreement as his basis for his standing in court and thereby  
31 admitted he was a "taxpayer".

32 *"Revenue Laws relate to taxpayers [officers, employees, and elected officials of the Federal Government] and*  
33 *not to non-taxpayers [American Citizens/American Nationals not subject to the exclusive jurisdiction of the*  
34 *Federal Government]. The latter are without their scope. No procedures are prescribed for non-taxpayers and*  
35 *no attempt is made to annul any of their Rights or Remedies in due course of law. With them[non-taxpayers]*  
36 *Congress does not assume to deal and they are neither of the subject nor of the object of federal revenue laws."*  
37 [Economy Plumbing & Heating v. U.S., 470 F2d. 585 (1972)]

- 38 5.2. He asked for an injunction and a declaratory judgment as a "taxpayer" even though the Anti-Injunction Act, 26  
39 U.S.C. §7421, and the Declaratory Judgments Act, 28 U.S.C. §2201(a) specifically forbid "taxpayers" from  
40 asking for such things. This is pure ignorance, as is demonstrated in the following:

*Flawed Tax Arguments to Avoid*, Form #08.004, Sections 5.8 and 5.9

<http://sedm.org/Forms/FormIndex.htm>

- 41 5.3. He acted like a "taxpayer" and filed "taxpayer" forms instead of modified or custom forms.

- 42 5.4. He never stated that he was NOT a "taxpayer" as defined in 26 U.S.C. §7701(a)(14).

- 43 5.5. He should have invoked the common law instead of statutory law. Statutory law only applies to government  
44 officers and employees in nearly all cases. See:

*Why Statutory Civil Law is Law for Government and Not Private Persons*, Form #05.037

<http://sedm.org/Forms/FormIndex.htm>

- 45 6. Ambort never challenged the false information returns that gave rise to the need to file Form 1040NR returns to begin  
46 with. Without challenging the filing of these false information returns and the criminal activity they represent he and

his clients:

6.1. Are presumed to be “taxpayers” as defined in 26 U.S.C. §7701(a)(14) by the court.

6.2. Are presumed to be engaged in the “trade or business” and a “public office” franchise within the U.S. government.

6.3. Are acting in a representative capacity on behalf the U.S. government as “public officers”. In that capacity, they are “officers of a corporation”, which corporation is the “United States” as defined in 28 U.S.C. §3002(15)(A). The “office” they occupy is a “citizen” or a “resident” within the meaning of federal law, no matter what their personal status is.

6.4. Are subject to the laws of the District of Columbia and therefore “residents” of the “United States” while acting as said “public officers” under:

6.4.1. Fed.R.Civ.P. 17(b).

6.4.2. 26 U.S.C. §7701(a)(39).

6.4.3. 26 U.S.C. §7408(d).

The court deliberately didn’t disclose the basis for its conclusion that Ambort’s clients were “residents”, but they certainly and properly took all the above into account and, we believe, reached a just conclusion that Ambort’s clients were in fact “residents” rather than “nonresident aliens” for all the reasons we indicated earlier in section 16.4, including the following reason:

26 CFR §301.7701-5 Domestic, foreign, resident, and nonresident persons.

*A domestic corporation is one organized or created in the United States, including only the States (and during the periods when not States, the Territories of Alaska and Hawaii), and the District of Columbia, or under the law of the United States or of any State or Territory. A foreign corporation is one which is not domestic. A domestic corporation is a resident corporation even though it does no business and owns no property in the United States. **A foreign corporation engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident foreign corporation, and a foreign corporation not engaged in trade or business within the United States, as a nonresident foreign corporation.** A partnership engaged in trade or business within the United States is referred to in the regulations in this chapter as a resident partnership, and a partnership not engaged in trade or business within the United States, as a nonresident partnership. **Whether a partnership is to be regarded as resident or nonresident is not determined by the nationality or residence of its members or by the place in which it was created or organized.** [Amended by T.D. 8813, Federal Register: February 2, 1999 (Volume 64, Number 21), Page 4967-4975] [SOURCE: <http://famguardian.org/TaxFreedom/CitesByTopic/Resident-26cfr301.7701-5.pdf>]*

Below is what the Ambort appeals court held, and they were correct in concluding that Ambort’s clients were “residents” if he never rebutted the presumption that they were engaged in the “trade or business” franchise consistent with the above:

*“Ambort conducted tax seminars throughout the United States instructing attendees that, although they were United States residents, they could legally claim to be “nonresident aliens” exempt from most federal income taxes. He assisted attendees in their filing of amended return forms claiming a refund for past years’ taxes. [Ambort v. U.S., 392 F.3d 1138 (2004)]*

The court also concluded that Ambort was a “U.S. citizen”, but very deliberately refused:

1. To distinguish between constitutional and statutory “citizens”.
2. To identify which of the three different “United States” they meant in the phrase “United States residents”. They could only have meant those domiciled on federal territory that is no part of any state of the Union and who are therefore statutory “U.S. persons” pursuant to 26 U.S.C. §7701(a)(30).

We know that the type of “U.S. citizen” they were prejudicially presuming was a statutory “U.S. citizen” pursuant to 8 U.S.C. §1401 and not a constitutional “citizen of the United States”, and since Ambort was ignorant, he never forced them to admit this presumption and therefore acquit him. You’re dead meat if you don’t challenge and prevent rampant and self-serving prejudicial presumptions by the government, because that is the main tool they use to unlawfully usurp jurisdiction they in fact do not have, and Ambort apparently didn’t understand this. See:

Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction, Form #05.017  
<http://sedm.org/Forms/FormIndex.htm>

What the court *didn’t* say on this subject is the key to avoiding the pitfalls he fell into:

### **Nonresident Alien Position**

Copyright Sovereignty Education and Defense Ministry, <http://sedm.org>  
Form 05.020, Rev. 9-20-2009

277 of 327

EXHIBIT: \_\_\_\_\_



Moreover, a taxpayer who “refuses to utilize the mechanisms provided by Congress to present his claims of invalidity to the courts and to abide by their decisions” risks criminal prosecution. *Cheek*, 498 U.S. at 206, 111 S.Ct. 604 (emphasis added). The federal courts have long rejected *Ambort*’s rationale for lack of tax liability. See *United States v. Hanson*, 2 F.3d 942, 945 (9th Cir.1993) (rejecting appellant’s contention that “as a natural born citizen of Montana he is a nonresident alien” and thus not subject to federal tax laws); *United States v. Cheek*, 882 F.2d 1263, 1269, n. 2 (7th Cir.1989), vacated on other grounds, 498 U.S. 192, 111 S.Ct. 604, 112 L.Ed.2d 617 (1991) (rejecting claim that defendant was not subject to taxation because he was a white male Christian, and not a “fourteenth amendment citizen”); *United States v. Studley*, 783 F.2d 934, 937 & n. 3 (9th Cir.1986) (rejecting argument that an “absolute, freeborn, and natural individual” need not pay federal taxes and \*1141 noting that “this argument has been [so] consistently and thoroughly rejected by every branch of the government for decades ... [that] advancement of such utterly meritless arguments is now the basis for serious sanctions imposed on civil litigants who raise them”). Indeed, this court has upheld a Fed.R.Civ.P. 12(b)(6) dismissal of Mr. *Ambort*’s refund claim for failure to state a claim upon which relief may be granted. *Benson v. United States*, Nos. 94-4182, 95-4061, 1995 WL 674615, at \*\*2 - 3 (10th Cir. Nov. 13, 1995). In that case, we specifically stated that “Mr. *Ambort*, a United States citizen born in California and living in the United States, is subject to the tax laws” and that his assertion of status as a nonresident alien was frivolous. *Id.* at \*3. [*Ambort v. U.S.*, 392 F.3d 1138 (2004)]

*Ambort* could have forced the court to omit all the misleading rhetoric it engaged in above and focus on the core issues if he had employed the following tools attached to his pleadings and/or his filings with the IRS:

1. Flawed Tax Arguments to Avoid, Form #08.004, Sections 5.1 and 8-describes techniques for combating the above forms of “verbicide” by the court and the government counsel  
<http://sedm.org/Forms/FormIndex.htm>
2. Citizenship, Domicile, and Tax Status Options, Form #10.003-attach to pleadings and raise at trial  
<http://sedm.org/Forms/FormIndex.htm>
3. Rules of Presumption and Statutory Interpretation, Litigation Tool #10.006- attach to pleadings and raise at trial attach to pleadings and raise during litigation.  
<http://sedm.org/Litigation/LitIndex.htm>
4. Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001-attach to all tax returns, withholding documents, and correspondence with the IRS  
<http://sedm.org/Forms/FormIndex.htm>

*Ambort* will probably spend the rest of his life in jail because he was convicted of 69 counts of filing false tax returns for clients because he didn’t know and didn’t learn the information contained in this memorandum, unfortunately:

“My [God’s] people are destroyed [and enslaved] for lack of knowledge [of God’s Laws and the lack of education that produces it].”  
[[Hosea 4:6](#), Bible, NKJV]

### 23.5.9 Treasury Decisions 2313 in 1916 Shows Nonresident Aliens being “Taxpayers”

#### QUESTION:

Treasury Decision 2313 issued in 1916 shows “Nonresident Aliens” being “taxpayers”. You can’t possibly be correct in your conclusions that they are have no tax liability.

#### ANSWER:

You can read Treasury Decision 2313 in the article below, put into context:

<http://famguardian.org/Subjects/Taxes/CourtCases/BrushaberVUnionPacRR240US1.htm>

You are confusing “nonresidents” and “nonresident aliens” on the one hand with “nonresident alien INDIVIDUALS” on the other hand. These distinctions were not made back when TD 2313 was issued because the I.R.C. wasn’t even enacted at that time and didn’t come on the scene until 1939. To find out what they meant in TD 2313, you would have to go back to the Revenue Act of 1915 and see how they defined it. Chances are, they meant an alien and “non-citizen nationals” are not aliens. If you want to research this, the following may be helpful:

<http://famguardian.org/PublishedAuthors/Govt/HistoricalActs/HistFedIncTaxActs.htm>

The essence of what it means to be a "nonresident" or a "nonresident alien" is that you are neither a "citizen" nor a "resident" (alien), per 26 U.S.C. §7701(b)(1)(B). One can be a "nonresident" or a "nonresident alien" **without** being an "individual" or a "nonresident alien **INDIVIDUAL**": All individuals are aliens and those born within a state of the Union are not "aliens", and therefore neither "**individuals**", "residents" nor "nonresident alien **individuals**". This is covered in sections 2, 4, and 16.4 of this document

All the duties, such as the duty to file and to use identifying numbers, pertain to "nonresident alien **INDIVIDUALS**". For instance, 26 CFR 1.6012-1(b) imposes a duty to file a tax return upon "nonresident alien INDIVIDUALS" but none upon those who are not "individuals" (resident aliens). Nowhere is a duty imposed upon those who are "nonresidents", "nonresident aliens", or "non-citizen nationals" so they are excluded by implication from such duties.

*"Expressio unius est exclusio alterius. A maxim of statutory interpretation meaning that the expression of one thing is the exclusion of another. Burgin v. Forbes, 293 Ky. 456, 169 S.W.2d 321, 325; Newblock v. Bowles, 170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. When certain persons or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be inferred. Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects of a certain provision, other exceptions or effects are excluded."*  
[Black's Law Dictionary, Sixth Edition, p. 581]

For further details, see:

Legal Requirement to File Federal Income Tax Returns, Form #05.009, Section 8  
<http://sedm.org/Forms/FormIndex.htm>

Being an "individual" simply means that you are nonresident but:

1. Have consensually waived sovereign immunity pursuant to 28 U.S.C. §1605(a)(2) and decided to engage in commerce within the legislative jurisdiction of the "United States" corporation in order to procure the benefits of the socialism franchise, such as free cheese, socialist security benefits, unemployment, etc. Describing yourself as a "nonresident" or a "nonresident national" who is NOT an "individual" and refusing to use a number avoids a waiver of sovereign immunity.
2. Have decided to surrender the benefits of being a sovereign "Citizen" under the Constitution in exchange for the disabilities of being a privileged alien so that you could engage in federal franchises.
3. You had to commit perjury to do the above, because you aren't an alien and there is no statute that allows you to describe yourself as either an "alien" or "individual" if you were born anywhere in the country. Neither could the government even lawfully write such a statute that applied within a state of the Union because the purpose of law is protection and they can't write a law that allows you to waive that protection under the Constitution. This would be a violation of the whole reason for having a government or a Constitution to begin with.

The W-8BEN form is only a "Taxpayer" form if you put a number on it and check one of the options in block 3. 26 CFR §301.6109-1(b) says identifying numbers are only required in the case of "nonresident alien individuals" and you are not an "individual" if you are a non-citizen national. Even for "nonresident alien individuals", they only need a number if they are selling real estate in the federal zone or are engaged in a "trade or business", neither of which you are if you are a non-citizen national who does not serve in public office within the U.S. government. This is covered in:

About SSNs and TINs on Government Forms and Correspondence, Form #04.104  
<http://sedm.org/Forms/FormIndex.htm>

The W-8BEN form doesn't have an option in block 3 for those who are not "individuals". 26 CFR §1.1441-1(c)(3) says that all "individuals" are aliens. If one is a non-citizen national, then they are not an "alien" or an "individual", and therefore not a "nonresident alien individual". As long as one doesn't check the "individual" block in box 3 and instead adds an additional option such as "transient foreigner", and doesn't use a number as the following document suggests, then they continue to be a "nontaxpayers" who are not "individuals":

About IRS Form W-8BEN, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>

1 Another alternative is to use the amended form in the above article or to use the substitute form, which is the following, and  
2 which indicates that it is a substitute for the W-8BEN:

*Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>

3 As far as rebutted arguments against the NRA position, See sections 20 through 20.6 of this document. All of your  
4 questions are anticipated and addressed in this document. Please read it. Then read the Form 02.001 above. After you  
5 finish looking at these, you will better understand our answers.

6 **Remember:** The only thing the feds have jurisdiction over within a state are their own territory and franchises, which are  
7 property coming under Article 4, Section 3, Clause 2 of the Constitution. Being a privileged alien or "resident alien" is a  
8 franchise that they have exclusive jurisdiction over, even in a state. That is why all "taxpayers" must be "individuals" and  
9 privileged aliens within states of the Union: Because the only thing the constitution grants them jurisdiction over within a  
10 state is foreign affairs, including jurisdiction over aliens. This is covered in section 23.1.2 of this form.

### 11 **23.6 Summary of methods for avoiding the pitfalls of objections to the NRA Position**

12 The important lessons learned from the previous discussion and rebuttal of objections to the Nonresident Alien Position  
13 include the following:

14 1. It is naïve and injurious to presume that you can change your status without changing every aspect of your behavior to  
15 be consistent with that change. Those who intend to BE "nonresidents" must ACT like "nonresidents" in every  
16 conceivable way:

17 1.1. They must correct citizenship records about themselves.

*Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States*, Form #10.001  
<http://sedm.org/Forms/FormIndex.htm>

18 1.2. They must obtain a passport as a non-citizen national using the following:

*USA Passport Application Attachment*, Form #06.007  
<http://sedm.org/Forms/FormIndex.htm>

19 1.3. They must quit Social Security. Only "residents" are eligible for Social Security and can use an SSN or the  
20 corresponding TIN. See:

*Resignation of Compelled Social Security Trustee*, Form #06.002  
<http://sedm.org/Forms/FormIndex.htm>

21 1.4. They must close their financial accounts and reopen them as nonresident aliens:

*About IRS Form W-8BEN*, Form #04.202  
<http://sedm.org/Forms/FormIndex.htm>

22 1.5. They must update the withholding paperwork with all their business associates:

*Federal and State Tax Withholding Options for Private Employers*, Form #09.001  
<http://sedm.org/Forms/FormIndex.htm>

23 All of the above steps are summarized in the following document on the opening page of our website, which all those  
24 who use our materials MUST abide by:

*Path to Freedom*, Form #09.015  
<http://sedm.org/Forms/FormIndex.htm>

25 2. On every occasion where they correspond with the government, they should present as much of the above exculpatory  
26 evidence as they can so that it will end up in their administrative record and can be used in their defense. Our favorite  
27 approach is to scan in our administrative record and attach the entire record as a CD to every correspondence, thus  
28 making it instantly admissible as evidence in any tax proceeding.

29 3. If you don't rebut the false information returns connecting you to a "trade or business", the courts are going to presume  
30 you made an election under 26 CFR §301.7701-5 (older version) above and under the Foreign Sovereign Immunities  
31 Act, 28 U.S.C. §1605 to be treated as a "resident" alien. You will contradict yourself if you claim to be a "nonresident  
32 alien" without also contesting the false information returns.

33 4. Don't ever claim to be a "taxpayer" or act like a "taxpayer":

34 4.1. When people accuse you of being a "taxpayer", argue with them.

35 4.2. Don't invoke the terms of a franchise agreement, Internal Revenue Code Subtitles A and C, that only pertains to  
36 "taxpayers" in your own defense.



4.3. Don't use "taxpayer" only forms without at least attaching something that makes it into a "nontaxpayer" form such as the following:

Tax Form Attachment, Form #04.201  
<http://sedm.org/Forms/FormIndex.htm>

5. If you are compelled, under threat of criminal prosecution, to file a tax return, you cannot use a standard IRS form without at least attaching something to clarify what you are doing such as the following:

Federal Nonresident Nonstatutory Claim for Return of Funds Unlawfully Paid to the Government-Long, Form #15.001  
<http://sedm.org/Forms/FormIndex.htm>

6. Use the techniques found in the following to combat judicial and government verbicide aimed at destroying the separation of powers by confusing your citizenship status and kidnapping your identity to move it onto federal territory:

Flawed Tax Arguments to Avoid, Form #08.004, Sections 5.1 and 8  
<http://sedm.org/Forms/FormIndex.htm>

7. Don't ever claim to be anything that can't be found in statutes and therefore can't be proven with evidence, including:

7.1. "White male Christian"

7.2. "Not a Fourteenth Amendment citizen"

7.3. "Absolute, freeborn, and natural individual".

Instead, stick with the statutory references and definitions found in Title 8 itself, and refer to yourself with the only status found in Title 8 that is in fact and indeed consistent with the circumstances of someone born within and domiciled within a state of the Union on other than federal territory: "non-citizen national" pursuant to 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452. Then, challenge them to produce a definition of "United States" anywhere in Title 8 that includes the exclusive jurisdiction of a state of the Union. Without such an express definition, states of the Union are presumed to be purposefully excluded by implication:

**"When a statute includes an explicit definition, we must follow that definition, even if it varies from that term's ordinary meaning."** *Meese v. Keene*, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory definition of the term excludes unstated meanings of that term"); *Colautti v. Franklin*, 439 U.S. at 392-393, n. 10 ("As a rule, 'a definition which declares what a term "means" . . . excludes any meaning that is not stated"); *Western Union Telegraph Co. v. Lenroot*, 323 U.S. 490, 502 (1945) ; *Fox v. Standard Oil Co. of N.J.*, 294 U.S. 87, 95-96 (1935) (Cardozo, J.); see also 2A N. Singer, *Sutherland on Statutes and Statutory Construction* § 47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at 998 [530 U.S. 943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include the Attorney General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the contrary."

[*Stenberg v. Carhart*, 530 U.S. 914 (2000)]

**"It is axiomatic that the statutory definition of the term excludes unstated meanings of that term."** *Colautti v. Franklin*, 439 U.S. 379, 392, and n. 10 (1979). Congress' use of the term "propaganda" in this statute, as indeed in other legislation, has no pejorative connotation. **As judges, it is our duty to [481 U.S. 485] construe legislation as it is written, not as it might be read by a layman, or as it might be understood by someone who has not even read it."**

[*Meese v. Keene*, 481 U.S. 465, 484 (1987)]

**"As a rule, 'a definition which declares what a term "means" . . . excludes any meaning that is not stated'"**  
[*Colautti v. Franklin*, 439 U.S. 379 (1979), n. 10]

8. Do everything you can to prevent being victimized by presumptions of both the IRS, the DOJ, and the Courts by attaching the following to all your pleadings:

8.1. Federal Pleading/Motion/Petition Attachment, Litigation Tool #01.002  
<http://sedm.org/Litigation/LitIndex.htm>

8.2. Citizenship, Domicile, and Tax Status Options, Form #10.003  
<http://sedm.org/Forms/FormIndex.htm>

8.3. Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001  
<http://sedm.org/Forms/FormIndex.htm>

9. On every correspondence and every occasion you have to communicate with the government, rebut the presumption that you are not engaged in a "trade or business" as defined in 26 U.S.C. §7701(a)(26):

9.1. Regularly rebut all false information returns using the following:

Correcting Erroneous Information Returns, Form #04.001  
<http://sedm.org/Forms/FormIndex.htm>

9.2. Submit the proper withholding paperwork that correctly represents your status as a nonresident who is not

engaged in a “trade or business”. See item 4.3 above and the following:

*Federal and State Tax Withholding Options for Private Employers*, Form #09.001  
<http://sedm.org/Forms/FormIndex.htm>

## **24 Tax Returns of Nonresident Alien NONtaxpayers**

### **24.1 Options for filling out return forms**

Nonresident alien nontaxpayers who are NOT “individuals” have to be very careful how they file their tax returns. IRS tax forms are a deliberate trap because:

1. IRS only makes “taxpayer” forms. The IRS Mission Statement in IRM 1.1.1.1 says they only help “taxpayers”. If you are a “nontaxpayer”, they:
  - 1.1. Don’t have any forms to use for your status.
  - 1.2. Deliberately ignore and terrorize you, not help you.
2. If you send them a tax return, they will assume that you are an “individual” and therefore an “alien individual”. We now know after reading this memorandum of law that this presumption is FALSE in your case if you are a non-citizen national, because you are neither a “nonresident alien individual” nor an “alien individual”, but simply a “nonresident alien”, meaning simply that you are neither:
  - 2.1. A statutory “U.S. citizen” pursuant to 8 U.S.C. §1401 nor
  - 2.2. A statutory “resident alien” pursuant to 26 U.S.C. §7701(b)(1)(A).
3. The only return form IRS has for human beings who are non-citizen national is the 1040NR.
4. The current version of the 1040NR form indicates that it is for use by “U.S. nationals” in blocks 1 and 3, BUT:
  - 4.1. The “U.S. national” status is statutorily defined in 8 U.S.C. §1101(a)(22) and 8 U.S.C. §1408.
  - 4.2. If you are domiciled in a state of the Union, you are **not** a statutory “U.S. national” pursuant to 8 U.S.C. §1408 and 8 U.S.C. §1101(a)(22), but rather simply a “national” pursuant to 8 U.S.C. §1101(a)(21).
  - 4.3. The “U.S. national” status appears in the exemption block of the form, but nonresident alien who are NOT “individuals” and who have no “trade or business” earnings can’t take any exemptions or reductions in their liability because they aren’t subject to the code and therefore can’t accept privileges. See:  
<http://famguardian.org/Subjects/Taxes/Citizenship/IRSForm1040nr-USNational.pdf>
  - 4.4. There is no way to describe your citizenship, domicile, and tax status on these forms WITHOUT taking an exemption. This is deliberate, so that:
    - 4.4.1. They can force you into a privileged state.
    - 4.4.2. Cause you to engage in commerce with the government by accepting a “benefit” and thereby surrender sovereign immunity pursuant to 28 U.S.C. §1605(a).
    - 4.4.3. Help the IRS perpetuate false presumptions about you and illegally enforce the Internal Revenue Code against those who are not subject.
5. The perjury statement in the signature block on the 1040NR form, like all other IRS forms, places you in the federal zone, as we explained in section 16.7 earlier. To make things worse, if you try to physically modify the perjury statement to correctly place you outside the federal zone so that you DON’T commit perjury, the IRS tries to penalize you.

Members of this ministry are constrained by our Member Agreement, Form #01.001 in how to fill out tax return forms. To both conform with our Member Agreement, Form #01.001 and also avoid all the pitfalls of the standard IRS tax return forms, we suggest the following techniques that we use for preparing tax return forms for ourselves:

1. Use the standard IRS form to file the return.
2. Answer the questions on the form consistent with the content of the next section.
3. Attach the following form to ensure that all the words on the form are defined to place you outside their jurisdiction and to prevent false presumptions about the meaning of “words of art”. This is also required by our Member Agreement, Form #01.001:

*Tax Form Attachment*, Form #04.201  
<http://sedm.org/Forms/FormIndex.htm>

4. Attach the following form so that your tax status is clearly documented so that you don’t become a victim of frequent and false IRS presumptions about your status:

*Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001

<http://sedm.org/Forms/FormIndex.htm>

5. You may not avail yourself of any commercial “privileges” of the I.R.C. because this causes a surrender of sovereign immunity pursuant to 28 U.S.C. § 1605(a) and causes you to become subject to their jurisdiction:

5.1. You may not indicate “trade or business” earnings in blocks 8 through 23. All these blocks must be ZERO. A “trade or business” is an excise taxable privilege. See:

*The “Trade or Business” Scam*, Form #05.001

<http://sedm.org/Forms/FormIndex.htm>

5.2. You may not take any “exemptions” by checking any of the exemption blocks, blocks 1 through 7.

5.3. Attach corrected information returns to the return zeroing out the false “trade or business” reports so that you are not connected to a “public office” in the government. See the following on how to correct erroneous information returns:

*Correcting Erroneous Information Returns*, Form #04.001

<http://sedm.org/Forms/FormIndex.htm>

6. At the bottom of every page of the standard IRS 1040NR form write “Not valid without all enclosures attached and signed, quantity \_\_\_\_”. This will prevent them from excluding any of the enclosures as evidence if your tax return ever becomes the subject of litigation.

7. In the signature block on the signature line, put “See attached Tax Form Attachment for signature”. Then sign the Tax Form Attachment, which contains a redefinition of the perjury statement.

8. You should emphasize that:

8.1. This is not a request for a refund pursuant to any provision of the I.R.C.

8.2. You are not subject to the I.R.C. and do not claim any of the benefits or protections of the I.R.C.

8.3. If you are asking for a refund, emphasize that this is a NON-STATUTORY refund request not pursuant to the I.R.C. Subtitle A franchise agreement, but rather subject to equity and not law:

*“A claim against the United States is a right to demand money from the United States.”<sup>32</sup> Such claims are sometimes spoken of as gratuitous in that they cannot be enforced by suit without statutory consent.<sup>33</sup> **The general rule of non-liability of the United States does not mean that a citizen cannot be protected against the wrongful governmental acts that affect the citizen or his or her property.**<sup>34</sup> **If, for example, money or property of an innocent person goes into the federal treasury by fraud to which a government agent was a party, the United States cannot [lawfully] hold the money or property against the claim of the injured party.**<sup>35</sup>”  
[American Jurisprudence 2d, United States, §45]*

*“When the Government has illegally received money which is the property of an innocent citizen and when this money has gone into the Treasury of the United States, there arises an implied contract on the part of the Government to make restitution to the rightful owner under the Tucker Act and this court has jurisdiction to entertain the suit.*

*90 Ct.Cl. at 613, 31 F.Supp. at 769.”*

*[Gordon v. U. S., 227 Ct.Cl. 328, 649 F.2d 837 (Ct.Cl., 1981)]*

***“The United States, we have held, cannot, as against the claim of an innocent party, hold his money which has gone into its treasury by means of the fraud of its agent. While here the money was taken through mistake without element of fraud, the unjust retention is immoral and amounts in law to a fraud of the taxpayer's rights. What was said in the State Bank Case applies with equal force to this situation. ‘An action will lie whenever the defendant has received money which is the property of the plaintiff, and which the defendant is obligated by natural justice and equity to refund. The form of the indebtedness or the mode in which it was incurred is immaterial.’”***

*[Bull v. United States, 295 U.S 247, 261, 55 S.Ct. 695, 700, 79 L.Ed. 1421]*

8.4. As a person who is not subject to their jurisdiction and a “nontaxpayer”, you may not lawfully be penalized for any aspect of the submission. The Tax Form Attachment above already has this language to save you time.

<sup>32</sup> United States ex rel. Angarica v Bayard, 127 US 251, 32 L Ed 159, 8 S Ct 1156, 4 AFTR 4628 (holding that a claim against the Secretary of State for money awarded under a treaty is a claim against the United States); Hobbs v McLean, 117 US 567, 29 L Ed 940, 6 S Ct 870; Manning v Leighton, 65 Vt 84, 26 A 258, motion dismd 66 Vt 56, 28 A 630 and (disapproved on other grounds by Button's Estate v Anderson, 112 Vt 531, 28 A2d 404, 143 ALR 195).

<sup>33</sup> Blagge v Balch, 162 US 439, 40 L Ed 1032, 16 S Ct 853.

<sup>34</sup> Wilson v Shaw, 204 U.S. 24, 51 L.Ed. 351, 27 S.Ct. 233.

<sup>35</sup> Bull v United States, 295 US 247, 79 L Ed 1421, 55 S Ct 695, 35-1 USTC ¶9346, 15 AFTR 1069; United States v State Bank, 96 US 30, 96 Otto 30, 24 L Ed 647.



9. REMEMBER: The shorter your submission is, the better off you are and the more likely you are to have the return processed rather than ignored.

If you want an example of how to do the above, we have a form that implements it all on our website:

*Federal Nonresident Nonstatutory Claim for Return of Funds Unlawfully Paid to the Government-Long*, Form #15.001  
<http://sedm.org/Forms/FormIndex.htm>

## 24.2 Joint Returns of Nonresident Alien NON-individuals married to “U.S. person” spouses

Nonresident aliens who are not “aliens” or “individuals” because they are non-citizen nationals cannot file a joint return unless both spouses are “U.S. persons”, meaning the nonresident spouse makes an “election” under 26 U.S.C. §6031(g) and (h) to be treated as a resident alien. IRS Publication 504, 2007, p. 3 says the following on this subject:

### ***Married Filing Jointly***

***“Nonresident alien.*** To file a joint return, at least one of you must be a U.S. citizen or resident alien at the end of the tax year. If either of you was a nonresident alien at any time during the tax year, you can file a joint return only if you agree to treat the nonresident spouse as a resident of the United States. This means that your combined worldwide incomes are subject to U.S. income tax. These rules are explained in Publication 519, U.S. Tax Guide for Aliens.”  
[IRS Publication 504, 2007, p. 3]

A “nonresident alien” who is a non-citizen national but not an “alien” and therefore not a “individual” cannot lawfully make an election to become a “resident alien” under 26 U.S.C. §6013(g) and (a). A non-citizen national who declares a residence on federal territory becomes a statutory “U.S. citizen” pursuant to 8 U.S.C. §1401 rather than a resident alien pursuant to 26 U.S.C. §7701(b)(1)(A). This is clarified by 26 CFR §1.871-2(b), which is the only definition of “residence” and which associates it with an “alien” but not a “non-citizen national” or “national” :

Title 26: Internal Revenue  
[PART 1—INCOME TAXES](#)  
[nonresident alien individuals](#)  
[§ 1.871-2 Determining residence of alien individuals.](#)

(b) Residence defined.

***An alien*** actually present in the United States who is not a mere transient or sojourner is a resident of the United States for purposes of the income tax. ***Whether he is a transient is determined by his intentions with regard to the length and nature of his stay.*** A mere floating intention, indefinite as to time, to return to another country is not sufficient to constitute him a transient. If he lives in the United States and has no definite intention as to his stay, he is a resident. ***One who comes to the United States for a definite purpose which in its nature may be promptly accomplished is a transient; but, if his purpose is of such a nature that an extended stay may be necessary for its accomplishment, and to that end the alien makes his home temporarily in the United States, he becomes a resident,*** though it may be his intention at all times to return to his domicile abroad when the purpose for which he came has been consummated or abandoned. An alien whose stay in the United States is limited to a definite period by the immigration laws is not a resident of the United States within the meaning of this section, in the absence of exceptional circumstances.

Therefore:

1. It is legally impossible and fraudulent for a “non-citizen national” to make an election to become a “resident alien” pursuant to 26 U.S.C. §6013(g) and (h) so that they can file jointly with a “taxpayer” spouse.
2. It is equally fraudulent for the “taxpayer” spouse to file a Form 1040, since they are not an alien and are not domiciled on federal territory, which are the two prerequisites for filing Form 1040.
3. For the same reason, it is unlawful and fraudulent for the IRS to do a Substitute For Return (SFR) or involuntary assessment on a nonresident alien who is a non-citizen national and not an alien or an “individual”. SFR’s are done on IRS Form 1040 rather than 1040NR. No one but the subject of the return can consent to make an election to become a “resident” and thereby use Form 1040. The IRS cannot compel you to make an election to be a resident and it is fraudulent to do so if you are not an alien. See:

Why the Government Can't Lawfully Assess Human Beings With an Income Tax Liability Without Their Consent, Form #05.011  
<http://sedm.org/Forms/FormIndex.htm>

### 24.3 Answers to Questions on IRS Form 1040NR Consistent with this pamphlet

Several people have asked us how to answer the questionnaire at the end of IRS Form 1040NR consistent with their status as described in this document. The form to which we refer is that indicated below:

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSForm1040nr.pdf>

The questions at the end of the above STANDARD IRS Form are designed to create an opportunity for the IRS to create a controversy that will open an opportunity for them to involuntarily or unlawfully assess you with a liability that you in fact DO NOT have or to penalize you unlawfully. Therefore, you must be very careful how you answer these questions. We also attach corrected information returns for all the years in question from the links below, along with a letter of detailed explanation to avoid any confusion or controversy:

1. Correcting Erroneous Information Returns, Form #04.001: Incorporates the following four documents into one PDR with added information.  
<http://sedm.org/Forms/FormIndex.htm>
2. Correcting Erroneous IRS Form W-2's, Form #04.006  
<http://sedm.org/Forms/FormIndex.htm>
3. Correcting Erroneous IRS Form 1042's, Form #04.003  
<http://sedm.org/Forms/FormIndex.htm>
4. Correcting Erroneous IRS Form 1098's, Form #04.004  
<http://sedm.org/Forms/FormIndex.htm>
5. Correcting Erroneous IRS Form 1099's, Form #04.005  
<http://sedm.org/Forms/FormIndex.htm>

If you want to investigate these matters beyond that described in this section, see the following authorities:

1. Federal Nonresident Nonstatutory Claim for Return of Funds Unlawfully Paid to the Government-Long, Form #15.001. Preferred over the standard IRS Form 1040NR.  
<http://sedm.org/Forms/FormIndex.htm>
2. Example Letter to Attach to your IRS Form 1040NR or Substitute 1040NR:  
<http://famguardian.org/TaxFreedom/Forms/IncomeTaxRtn/Federal/1040NRFedLetter.htm>
3. About IRS Form W-8BEN, Form #04.202.  
<http://sedm.org/Forms/FormIndex.htm>

We caution that it is a BAD idea to use STANDARD IRS Forms off the IRS website without attaching the following form because they create opportunities for false presumptions by ignorant clerks that are unwarranted and also invite the IRS to get into a pissing contest with you because they leave so many things unexplained.

Tax Form Attachment, Form #04.201  
<http://sedm.org/Forms/FormIndex.htm>

Because of this, we send in the Federal Nonresident Nonstatutory Claim for Return of Funds Unlawfully Paid to the Government-Long, Form #15.001, Item 1 above instead of the standard IRS Form 1040NR, and it completely avoids any disputes with the IRS or involuntary assessments that might result from them. All we get back is silence in response, because there is no "wiggle room" to create a controversy and anything they say will incriminate them beyond that point so they just shut up.

Below are the answers we use on our own standard IRS Form 1040NR, along with a detailed explanation of the answers. This description does NOT constitute legal advice and is not intended for use by anything but the author. Tailoring these answers to your specific situation is your choice and exclusive responsibility. These answers assume that the person filling out the form is born or naturalized in the United States OF AMERICA and therefore is a citizen under the Constitution of

the United States, but does not maintain a domicile anywhere on federal territory and therefore is not a statutory "U.S. citizen" as described in [8 U.S.C. §1401](#).

A. What country issued your passport?

**ANSWER:** United States **OF AMERICA**, NOT the "United States" as defined in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10).

B. Were you ever a "[U.S. citizen](#)"? ☐ Yes ☐ No

**ANSWER:** The answer is NO, because this is a tax question and I'm not a statutory "citizen of the United States\*\*", where "United States" is defined in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d) to expressly include federal territories, possessions, and the District of Columbia and no other place. See the following and rebut the questions at the end within 30 days if you disagree. I am a "non-citizen national" as described in 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452. I am a *constitutional* "citizen" as described in the Fourteenth Amendment but not a *statutory* "citizen of the United States" as defined in [8 U.S.C. §1401](#).

*Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

C. Give the purpose of your visit to the United States:

**ANSWER:** That depends on which of the three "United States" you mean as described by the Supreme Court in *Hooven and Allison v. Evatt*, 324 U.S. 652 (1945). The only "United States" you can legislate for in the context of a non-alien is federal territory and I'm not visiting that "United States", which is defined as federal territory in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and 4 U.S.C. §110(d) and nowhere expressly extended to include States of the Union.

*"When a statute includes an explicit definition, we must follow that definition, even if it varies from that term's ordinary meaning." Meese v. Keene, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory definition of the term excludes unstated meanings of that term"); Colautti v. Franklin, 439 U.S. at 392-393, n. 10 ("As a rule, 'a definition which declares what a term 'means' . . . excludes any meaning that is not stated"); Western Union Telegraph Co. v. Lenroot, 323 U.S. 490, 502 (1945); Fox v. Standard Oil Co. of N.J., 294 U.S. 87, 95-96 (1935) (Cardozo, J.); see also 2A N. Singer, Sutherland on Statutes and Statutory Construction § 47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at 998 [530 U.S. 943] (THOMAS, J., dissenting), leads the reader to a definition. That definition does not include the Attorney General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the contrary."*  
*[Stenberg v. Carhart, 530 U.S. 914 (2000)]*

D. Type of entry visa.

**ANSWER:** None.

E. Date you entered the United States.

**ANSWER:** Never entered the "United States" as defined in [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10).

F. Did you give up your permanent residence as an immigrant in the United States this year? ☐ Yes ☐ No

**ANSWER:** Not an "resident alien" in relation to the "United States" as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#). Rather, I am a *constitutional* citizen but not the *statutory* citizen described in 8 U.S.C. §1401. See and rebut the following within 30 days or you agree:

*Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

G. Dates you entered and left the United States during the year. Residents of Canada or Mexico entering and leaving the



1 United States at frequent intervals, give name of country only.

2 **ANSWER:** Never entered the federal “United States” during the year.

3 H. Give number of days (including vacation and non workdays) you were present in the United States.

4 **ANSWER:** Never physically present or domiciled anywhere within the “United States” as defined in [26 U.S.C.](#)  
5 [§7701\(a\)\(9\)](#) and (a)(10).

6 I. If you are a resident of Canada, Mexico, the Republic of Korea (South Korea), or Japan ( and you elect to have the old  
7 U.S.-Japan income tax treaty apply in its entirety for \_\_\_\_ ) or a U.S. national, did your spouse contribute to the support of  
8 any child claimed on Form 1040NR, line 7c?

9 **ANSWER:** Not a resident alien of Canada, Mexico, Republic of Korea, or Japan. All “residents” are aliens, pursuant  
10 to [26 U.S.C. §7701\(b\)\(1\)\(A\)](#).

11 J. Did you file a U.S. income tax return for any year before \_\_\_\_?

12 [Skip question. Only you know the answer to that question]

13 K. To which Internal Revenue office did you pay any amounts claimed on Form 1040NR, lines 60, 63, and 65?

14 **ANSWER:** The branch which handles nonresident tax returns, which is the International Branch in Texas.

15 L. Have you excluded any gross income other than foreign source income not effectively connected with a U.S. trade or  
16 business? ☐ Yes ☐ No

17 **ANSWER:** Don’t earn “gross income” because no earnings connected with a “trade or business”, which is defined in  
18 [26 U.S.C. §7701\(a\)\(26\)](#) as “the functions of a public office”. Authorities for not earning “gross income” include 26  
19 CFR §1.872-2(f), 26 CFR §31.3401(a)(6)-1(b), [26 U.S.C. §861\(a\)\(3\)\(C\)\(i\)](#), [26 U.S.C. §3401\(a\)\(6\)](#), [26 U.S.C.](#)  
20 [§1402\(b\)](#), and 26 U.S.C. §7701(a)(31).

21 M. If you are claiming the benefits of a U.S. income tax treaty with a foreign country, give the following information:

22 **ANSWER:** Not claiming benefits of a tax treaty. Don’t need treaty benefits or deductions if no “gross income” and  
23 no earnings from the “United States”.

- 24 • Country:
- 25 • Type and amount of effectively connected income exempt from tax. Also identify the applicable tax treaty article.  
26 Do not enter exempt income on lines 8, 9a, 10a, 11-15, 16b, or 17b-21 of form 1040NR
- 27 • Type and amount of income not effectively connected that is exempt from or subject to a reduced rate of tax.  
28 Also, identify the applicable tax treaty article.
- 29 • Were you subject to tax in that country on any of the income you claim is entitled to the treaty benefits? ☐ Yes ☐  
30 No
- 31 • Did you have a permanent establishment or fixed base (as defined by the tax treaty) in the United States at any  
32 time during \_\_\_\_?

33 N. If you file this return to report community income, give your spouse’s name, address, and identifying number.

34 **ANSWER:** First Amendment (right to NOT communicate) and Fifth Amendment. No “gross income” so none of  
35 your business.

36 O. If you file this return for a trust, does the trust have a U.S. business? ☐ Yes ☐ No

37 **ANSWER:** Neither submitter nor any business entities he is connected to have a domicile in the “United States” nor

are engaged in excise taxable activities such as a “trade or business” that might create a duty to withhold or pay income taxes.

P. Is this an “expatriation return”

**ANSWER:** No. I never voluntarily surrendered my nationality, but remain a non-citizen national as described in [8 U.S.C. §1101\(a\)\(21\)](#) and [8 U.S.C. §1452](#). I am NOT a statutory “U.S. national” as defined in [8 U.S.C. §1101\(a\)\(22\)\(B\)](#) or [8 U.S.C. §1408](#).

Q. During \_\_\_\_, did you apply for, or take other affirmative steps to apply for, lawful permanent resident status in the United States or have an application pending to adjust your status to that of a lawful permanent resident of the United States? ☐ Yes ☐ No

**ANSWER:** No.

## **24.4 Resources useful to Nonresident aliens to defend themselves against Willful Failure to File Criminal Prosecution under I.R.C. 7203**

The following resources are useful to those who are nonresident aliens, non-citizen nationals pursuant to 8 U.S.C. §§1101(a)(21) and 1452, and not “individuals” in defending themselves against a willful failure to file prosecution in federal court:

1. *Litigation Tools Page*-important litigation tools for use in defending yourself  
<http://sedm.org/Litigation/LitIndex.htm>
2. *Legal Requirement to File Federal Income Tax Returns*, Form #05.009  
<http://sedm.org/Forms/FormIndex.htm>
3. *Responding to a Criminal Tax Indictment*, Litigation Tool #10.004-practice guide with forms, procedures, and an example allocation  
<http://sedm.org/Litigation/LitIndex.htm>
4. *The Government “Benefits” Scam*, Form #05.040-destroys the most frequent argument used to prosecute  
<http://sedm.org/Forms/FormIndex.htm>
5. *The “Trade or Business” Scam*, Form #05.001-the heart of any good tax defense  
<http://sedm.org/Forms/FormIndex.htm>
6. *Why Domicile and Becoming a “Taxpayer” Require Your Consent*, Form #05.002-the heart of any good criminal tax defense  
<http://sedm.org/Forms/FormIndex.htm>

## **25 Other proponents of the Nonresident Alien Position**

Our advocacy of the Nonresident Alien Position (NAP) is not unique. Other people over the years have also advanced this position, although:

1. They didn’t use the name that we use to describe the position.
2. They didn’t cover the subject nearly as thoroughly as we have.

In this section, we will provide a brief synopsis of each advocate we are aware of.

In covering these personalities, we wish to emphasize that we do not intend to attack or condemn or blame any of them for the mistakes they made in efforts to reform the system. There is much to learn and many opportunities for mistakes along the way. People like these who are on the cutting edge tend to suffer wounds more easily than others because of those mistakes. Thomas Edison, for instance, failed his way to success while inventing the light bulb. He tried thousands of different materials for the filament that didn’t work before he found just the right carbon filament that did work.

We repeat this information here so that you can stand on the shoulders of these brave individuals and learn from their mistakes so that you don’t repeat them or suffer similar consequences.

## 1    **25.1   Lynn Meredith**

2    The most famous advocate of the Nonresident Alien Position over the years was Lynn Meredith. She wrote two short but  
3    popular books describing the position:

- 4    1.   Vultures in Eagles Clothing.
- 5    2.   How to Cook a Vulture.

6    She wasn't directly attacked for her stance on the NAP, but she became the target of "selective enforcement" by the IRS in  
7    order to cover up her research by ensuring she couldn't disseminate it from jail. Eventually, they found something to hang  
8    her on in 2002. Her business was raided in 2002 and eventually, all her employees were indicted for failure to file. They  
9    used the failure to file indictments as leverage to get the employees to testify against her.

10   Eventually, after much digging, they convicted her for fraud on a passport application because the Social Security Number  
11   she put on the DS-11 passport application form was one digit off. That landed her 10 years in jail. Her story was the  
12   subject of a 20/20 television investigation, which aired during her criminal prosecution. Joe Izen of Texas was the attorney  
13   who represented her at the trial in Long Beach, California.

14   Meredith's books are out of print and her website was shut down after she was convicted. You can find some of her  
15   research in our Member Library area.

## 16   **25.2   Mitch Modeleski: SupremeLaw website**

17   Mitch Modeleski, AKA "Paul Andrew Mitchell", is the second most famous advocate of the Nonresident Alien Position.  
18   His research is still available on the web at the following address and has been around at least since 2000:

Supreme Law Firm  
<http://supremelaw.org>

19   Most of Mitch's research is compiled into his Federal Zone book available for free on the above website. His research is  
20   lucid and organized, but very incomplete compared to ours. We focus more on application while he focuses on research  
21   and theory and leaves the implementation to the reader. This can be dangerous because there are some very important holes  
22   in his approach and understanding. The focus of this document, in fact, is to fill most of those holes.

23   Mitch doesn't sell anything but does provide assistance of counsel for a fee. He lives in California and has had mailing  
24   addresses in San Francisco as well as San Diego. His forte is litigation. You never hear anything about the results of using  
25   his approach to taxation in either his own case or in the case of those who use his website and he doesn't publish success  
26   stories on his website.

## 27   **25.3   Paul Leinthall**

28   Paul Leinthall was another advocate of the Nonresident Alien Position. He represented a man named Scott Roberts, who  
29   lived in Kodiak, Alaska. Scott started off in Florida and then moved to Alaska. The identity of that "expert" was a very  
30   carefully guarded secret. He published a long series of fascinating newsletters on the Nonresident Alien Position via email.  
31   Eventually, Paul died in 2002 and his son took over the business for a short time. Subsequently, Scott Roberts was  
32   apprehended and extradited to Tampa Florida, where he stood trial in 2003 and eventually was convicted, but we haven't  
33   been able to determine all the particulars. You can read Paul's newsletters at the following address on the web:

Paul Leinthall  
<http://famguardian.org/PublishedAuthors/Indiv/LeinthallPaul/PaulLeinthall.htm>

34   Scott Roberts offered an expensive service that was approximately \$2,500 per year per person whereby he annually filed  
35   "Tax Statements" with the IRS for his clients using IRS Form 2848. Scott claimed that these statements satisfied the  
36   requirement to file pursuant to 26 U.S.C. §6011(a) and that they could get all their money back. The DOJ disagreed with  
37   him and indicted him for defrauding the government.



The major flaw of Scott Roberts was that he did nothing to correct the false presumptions about one's status that accumulate over the years because of all the government forms we commonly fill out. We take the opposite approach, by requiring that those who use our materials MUST take the time to correct their status and develop evidence proving their status before they even think about taking on the system.

## **26 The secret to remaining free, sovereign, and foreign in respect to a corrupted government**

### **26.1 Introduction**

The most important thing to remember as you read this document are the causes of all the problems and corruption in the government that this document is designed to rectify and combat, which are listed below in descending order of importance:

1. Participating in government franchises, all of which completely destroy your sovereignty and make you an indentured servant of the national government, who then becomes your *parens patriae*. This includes Social Security, Medicare, and the I.R.C. Subtitle A income tax. All franchises are essentially contracts between the grantor and the grantee that are the only lawful mechanism that the government can use to impose duties upon the average American. An example of a franchise is a McDonald's franchise, in which you sign up to open a store and use the McDonald's logo, and in return, you are obligated to buy from them, be supervised by them, and send a percentage of the profits to the franchise administrator. See:

*Government Instituted Slavery Using Franchises*, Form #05.030  
<http://sedm.org/Forms/FormIndex.htm>

2. Refusing to read and learn and enforce the law. Law is the main vehicle used in a free society to deceive and enslave the people. You must learn the law and the various ways that it is abused to injure you if you want to be free, and your servants in government won't ever empower you with the key to your chains. The origin of all legal jurisdiction is your consent to be governed. If there are things in the law that you don't consent to, then you can lawfully remove yourself from the jurisdiction of said law by removing your consent and your legal "person" from the civil jurisdiction of the government that passed the law you don't like.
3. Refusing to take responsibility for ourselves and/or our families and loved ones. Symptoms of this problem include:
  - 3.1. Refusing to help our neighbor or engage in charitable causes.
  - 3.2. Trying to collect more government benefits than we paid for.
  - 3.3. Asking a government for "benefits" or participating in the franchises that implement them.The above actions sanction your government to STEAL from the HAVEs in order to give to the have nots. Governments don't produce anything. All they do is either STEAL money from nontaxpayers by constructive FRAUD or counterfeit it through fiat currency systems. Both forms of revenue generation are evil and make the government into a thief and a robinhood, which the U.S. Supreme Court has said is unconstitutional:

*"A tax, in the general understanding of the term and as used in the constitution, signifies an exaction for the support of the government. The word has never thought to connote the expropriation of money from one group for the benefit of another."*  
*[U.S. v. Butler, 297 U.S. 1 (1936) ]*

**To lay with one hand the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is nonetheless a robbery because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under legislative forms.**

Nor is it taxation. A "tax," says Webster's Dictionary, "is a rate or sum of money assessed on the person or property of a citizen by government for the use of the nation or state." "Taxes are burdens or charges imposed by the legislature upon persons or property to raise money for public purposes."  
*[Loan Association v. Topeka, 20 Wall. 655 (1874)]*

4. People governing their lives or making decisions based on presumptions instead of facts. Most of what you think you know about law and government is really just a belief that cannot be supported by legally admissible evidence, and therefore is little more than a religion. See:

We remind our readers that the story of Adam and Eve described in the Bible was REALLY a story about disobeying God and His laws and commandments and refusing to take responsibility for that disobedience. God told Adam and Eve in Gen. 2:17 not to eat the fruit of the tree of knowledge of good and evil. The serpent promised Eve TWO things to entice her to eat the fruit, both of which were intended to make her believe that she would not be responsible for her actions:

1. The serpent said to Eve that if she ate the fruit, she would NOT die as God had promised. In other words, she would not be responsible for the consequence of her disobedience to God's command. Gen. 3:4.
2. The serpent also promised Eve that if she ate the fruit, she would become LIKE God. The essence of what it means to be a god is that you are omnipotent and accountable or responsible to NO ONE. Gen. 3:4.

Hence, both things promised by the serpent were designed to make Eve believe that she would be responsible for none of her actions and accountable to NO ONE for any of them. After Eve ate the fruit and God then approached both of them and asked them what they had done, the response of both Adam and Eve was to blame it on someone else, meaning refuse to take responsibility to God for their disobedience.

1. Adam blamed his decision on Eve. Gen. 3:12.
2. Eve blamed her decision on the serpent, saying that the serpent had deceived her. Gen. 3:13.

Hence, when faced with the consequences of their disobedience towards God's laws, both of them attempted to evade responsibility, which simply proves that was their motivation from the beginning for eating the fruit. Government is like the serpent in the story, which is symbolic of Satan himself. It has made a business, or more particularly a very profitable franchise, out of insulating people from the responsibility for all their choices and actions and thereby centralizing all power and sovereignty to itself. It has done this through "social insurance" programs, all of which are implemented as franchises that completely destroy your sovereignty and constitutional rights. This corruption is described in:

The Unlimited Liability Universe  
<http://famguardian.org/Subjects/Spirituality/Articles/UnlimitedLiabilityUniverse.htm>

The vast majority of the rest of the Bible after Gen. 3 documents ALL the consequences of Adam and Eve's disobedience to God's commandments and laws, as well as that of their descendants. The lesson you should learn from this story is that life got REALLY complicated for Adam and Eve and their descendants because they wanted to be disobedient, irresponsible, and rebellious toward God and his laws. This proves that the main purpose God's laws is to simplify your life and avoid all the problems and complications that people invite into their lives by failure to recognize God's commands as law or a failure to obey them to the best of their ability. Such rebellion and disobedience manifests itself in several forms:

1. Refusing to acknowledge the authority of the ENTIRE bible of whatever religion you believe in as LAW. This means that if you are a Christian, you must acknowledge both the Old and New Testaments as law.
2. Questioning the credibility of any portion of the bible of your respective religion in order to justify violating any part of God's law.
3. Claiming that God's grace is a license to sin without consequence, and in willful disobedience of God's law.

The success of your efforts to restore your sovereignty and freedom depends entirely on the following factors in descending order of importance:

1. Treating the bible of your religion as a law book and a covenant in which you are not entitled to the rewards without fruit or actions of obedience towards the law book.
2. Learning, reading, knowing, and obeying God's laws to the best of your ability. This will allow you to govern your own life and family without any external interference or need for the government, family courts, civil courts, etc.
3. Taking complete, exclusive, and personal responsibility for all of you and your family's actions and choices. This means only requesting help from others as your very last resort after you have made every possible effort to correct the problem yourself and executed your due diligence by studying the law and finding out for yourself what your options are.

- 1 4. Not allowing yourself to be in position of ever having to depend on others, and especially in emergencies. When you  
2 want it REALLY bad, you will get it REALLY bad. Bend over.  
3 5. Planning and executing every facet of your life and your choices consistent with the above priorities.  
4 6. The above forms of corruption in the case of Christianity are extensively documented in:

Corruption Within Modern Christianity, Form #08.012  
<http://sedm.org/Forms/FormIndex.htm>

5 Benjamin Franklin, one of the Founding Fathers, was quoted as saying as he left the Constitutional convention when  
6 questioned about what kind of government they had created, the following:

7 "A republic, Maam. If you can keep it."

8 The measure of whether you can "keep it", meaning the Republic indicated by Franklin, is the degree to which you take  
9 complete and exclusive responsibility for yourself. The minute you refuse this calling, is the minute you will not only  
10 become a slave to your own sin, but to sinful rulers who will try to profit from your sin by offering you franchises  
11 designed to exchange your rights for a bowl of pottage. See:

The American Form of Government, Liberty University Section 2.3  
<http://sedm.org/LibertyU/LibertyU.htm>

12 President Theodore Roosevelt agreed with these conclusions when he summed up the essence of what it means to be  
13 "sovereign":

14 "We of this mighty western Republic have to grapple with the dangers that spring from popular self-government  
15 tried on a scale incomparably vaster than ever before in the history of mankind, and from an abounding  
16 material prosperity greater also than anything which the world has hitherto seen.

17 As regards the first set of dangers, it behooves us to remember that men can never escape being governed.  
18 Either they must govern themselves or they must submit to being governed by others. If from lawlessness or  
19 fickleness, from folly or self-indulgence, they refuse to govern themselves then most assuredly in the end they  
20 will have to be governed from the outside. They can prevent the need of government from without only by  
21 showing they possess the power of government from within. A sovereign cannot make excuses for his failures; a  
22 sovereign must accept the responsibility for the exercise of power that inheres in him; and where, as is true in  
23 our Republic, the people are sovereign, then the people must show a sober understanding and a sane and  
24 steadfast purpose if they are to preserve that orderly liberty upon which as a foundation every republic must  
25 rest."

26 [President Theodore Roosevelt; Opening of the Jamestown Exposition; Norfolk, VA, April 26, 1907]

27 The quickest and easiest way for you to:

- 28 1. Destroy your own credibility.  
29 2. Indicate to us that you:  
30 2.1. Really DON'T want to be free.  
31 2.2. Don't understand what freedom is about.  
32 2.3. Don't want or deserve our help.

33 Is for you to:

- 34 1. Refuse to take responsibility for the above or demonstrate your commitment and diligence in taking responsibility at  
35 every step of your life.  
36 2. Expect someone else to do your homework or hard work needed to restore your sovereignty in order to avoid pain or  
37 discomfort.  
38 3. Expect that simply paying money to us to execute the sovereignty process or answer an immediate question or  
39 emergency will be a magic bullet that will keep them from pain or effort or prevent the need for commitment on their  
40 part. No amount of money paid to others will solve the main problem, which is your own ignorance of the law,  
41 laziness, and irresponsibility.

42 Your deceitful government knows all of the above. They know that those who refuse to pay their "taxes" want to evade  
43 responsibility for paying for the so-called "benefits" they consume by living in this country. In fact, their knowledge of this



section is the main weapon they use to prosecute tax crimes in court. When they want to convict you of a tax crime, they will assemble a grand jury and petit jury full of tax consumers, government dependents, and government public officers called statutory "U.S. citizens", tell them that you are a "leech" who won't pay his "fair share" and that your omission is increasing THEIR tax bill, and then watch them hang you. In proving that you are a leech, they will show the "benefits" you collected and then accuse you of stealing because you refuse to reimburse them for the cost of providing the benefit. That will get the jury mad and make them want to hang you. Below is the language that the Supreme Court used to described their "benefit" franchise, in fact. Note that your corrupt government describes their mere EXISTENCE as a benefit and refuses to recognize your right NOT to procure their protection or services:

***"The contention was rejected that a citizen's property without the limits of the United States derives no benefit from the United States. The contention, it was said, came from the confusion of thought in 'mistaking the scope and extent of the sovereign power of the United States as a nation and its relations to its citizens and their relation to it.' And that power in its scope and extent, it was decided, is based on the presumption that government by its very nature benefits the citizen and his property wherever found, and that opposition to it holds on to citizenship while it 'belittles and destroys its advantages and blessings by denying the possession by government of an essential power required to make citizenship completely beneficial.' In other words, the principle was declared that the government, by its very nature, benefits the citizen and his property wherever found, and therefore has the power to make the benefit complete. Or, to express it another way, the basis of the power to tax was not and cannot be made dependent upon the situs of the property in all cases, it being in or out of the United States, nor was not and cannot be made dependent upon the domicile of the citizen, that being in or out of the United States, but upon his relation as citizen to the United States and the relation of the latter to him as citizen. The consequence of the relations is that the native citizen who is taxed may have domicile, and the property from which his income is derived may have situs, in a foreign country and the tax be legal—the government having power to impose the tax."***  
[Cook v. Tait, 265 U.S. 47 (1924)]

The "benefit" being taxed above is, in fact, the "privilege" of calling yourself a statutory "U.S. citizen", which is entirely voluntary. Those who choose not to avail themselves of this privilege must instead declare themselves to be non-citizen nationals under 8 U.S.C. §1101(a)(21) and 8 U.S.C. §1452 and "nonresident aliens" instead of statutory "U.S. citizens". This is covered in:

*Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006  
<http://sedm.org/Forms/FormIndex.htm>

4. If you want to know all the devious and fraudulent tactics they use in tax crime prosecutions, read:

*The Government "Benefits" Scam*, Form #05.040  
<http://sedm.org/Forms/FormIndex.htm>

## 26.2 Summary of Steps

The most important principles we want to emphasize throughout this document in order for you to protect and defend your status as free, Sovereign, and "foreign" but not "alien" in respect to a government that is obviously totally corrupted are that:

1. You must study and learn the law if you want to be free.

*"One who turns his ear from hearing the law [God's law or man's law], even his prayer is an abomination."  
[Prov. 28:9, Bible, NKJV]*

*"This **Book of the Law** shall not depart from your mouth, but you shall meditate in it day and night, that you may observe to do according to all that is written in it. For then you will make your way prosperous, and then you will have good success. Have I not commanded you? Be strong and of good courage; do not be afraid, nor be dismayed, for the Lord your God is with you wherever you go."*

*[Joshua 1:8-9, Bible, NKJV,*

*IMPLICATION: If you aren't reading and trying to obey God's law daily, then you're not doing God's will and you will not prosper]*

*"But this crowd that does not know [and quote and follow and use] the law is accursed."  
[John 7:49, Bible, NKJV]*

*"Salvation is far from the wicked, For they do not seek Your [God's] statutes."*

[Psalms 119:155, Bible, NKJV]

"Every man is supposed to know the law. A party who makes a contract [or enters into a [franchise](#), which is also a contract] with an officer [of the government] without having it reduced to writing is knowingly accessory to a violation of duty on his part. Such a party aids in the violation of the law."  
[Clark v. United States, 95 U.S. 539 (1877)]

2. You must learn how to diligently seek, discern, accept, and act on the Truth:
  - 2.1. The truth is the most important thing you can possess.

**"Buy the truth, and do not sell it, also wisdom and instruction and understanding."**  
[Prov. 23:23, Bible, NKJV]

"Happy is the man who finds wisdom,  
And the man who gains understanding;  
**For her proceeds are better than the profits of silver,**  
**And her gain than fine gold.**  
**She is more precious than rubies,**  
**And all the things you may desire cannot compare with her."**  
[Prov. 3:13-15, Bible, NKJV]

- 2.2. The only source of absolute, unchanging Truth is God.

Jesus said to him, "I am the way, the truth, and the life. No one comes to the Father except through Me."  
[John 14:6, Bible, NKJV]

"Sanctify them by Your truth. Your [God's] word is truth."  
[John 17:17, Bible, NKJV]

"The entirety of Your word is truth, And every one of Your righteous judgments endures forever."  
[Psalm 119:160, Bible, NKJV]

"Your righteousness is an everlasting righteousness, And Your law is truth."  
[Psalm 119:142, Bible, NKJV]

- 2.3. Knowledge and understanding of the Truth BEGINS with loving and knowing God:

**"The fear of the LORD is the beginning of knowledge,**  
But fools despise wisdom and instruction."  
[Prov. 1:7, Bible, NKJV]

**"The fear of the LORD is to hate evil; Pride and arrogance and the evil way And the perverse mouth I hate."**  
[Prov. 8:13, Bible, NKJV]

- 2.4. The product of seeking the Truth is knowledge and wisdom.

"For the LORD gives wisdom; From His mouth come knowledge and understanding;"  
[Prov. 2:6, Bible, NKJV]

"I, wisdom, dwell with prudence, And find out knowledge and discretion."  
[Prov. 8:12, Bible, NKJV]

- 2.5. The wisdom that results from seeking truth will unavoidably cause much grief and sorrow. This grief and sorrow will result from the realization of how hopelessly corrupt man and every creation of men truly is and why we desperately need God. This explains why all the sin and sorrow in the world began from Adam and Eve eating of the fruit of the tree of knowledge:

"For in much wisdom is much grief,  
And he who increases knowledge increases sorrow."  
[Eccl. 1:18, Bible, NKJV]

- 2.6. The reason people avoid the truth and are enticed by a lying media and a lying government is because they want to avoid the grief and sorrow that results from knowing the truth. This avoidance of the truth will ultimately lead them to rebel against and offend God and to commit idolatry towards government:

1       “Woe to the rebellious children,” says the Lord, “Who take counsel, but not of Me, and who devise plans, but  
2 not of My Spirit, that they may add sin to sin; who walk to go down to Egypt, and have not asked My advice,  
3 to strengthen themselves in the strength of Pharaoh [the “government”], and to trust in the shadow of Egypt  
4 [or the District of Criminals, Washington, D.C. in this case]! Therefore the strength of Pharaoh shall be  
5 your shame, and trust in the shadow of Egypt shall be your humiliation...”

6       Now go, write it before them on a tablet, and note it on a scroll, that it may be for time to come, forever and  
7 ever: that this is a rebellious people, lying children, children who will not hear the law of the Lord; who say to  
8 the seers, “Do not see,” and to the prophets, “Do not prophesy to us right things’ Speak to us smooth  
9 [politically correct] things, prophesy deceits. Get out of the way, turn aside from the path, cause the Holy One  
10 of Israel to cease from before us.”

11       Therefore thus says the Holy One of Israel:

12       “Because you despise this word [the Truth], and trust in oppression and perversity, and rely on them,  
13 therefore this iniquity shall be to you like a breach ready to fall, a bulge in a high wall, whose breaking  
14 comes suddenly, in an instant. And He shall break it like the breaking of the potter’s vessel, which is broken  
15 in pieces; He shall not spare. So there shall not be found among its fragments a shard to take fire from the  
16 hearth, or to take water from the cistern.”  
17 [Isaiah 30:1-3, 8-14, Bible, NKJV]  
18

19       2.7. The Truth is codified in God’s Holy Laws:

20       Laws of the Bible, Form #13.001  
21       <http://sedm.org/Forms/FormIndex.htm>

22       2.8. The Truth can be verified:

23       2.8.1. By the Holy Spirit in the case of spiritual matters.

24       2.8.2. By evidence in the legal field. Anything not based on evidence is a state-sponsored religion and not a  
25 REAL law.

26       2.9. The Truth never conflicts with itself. Anyone who contradicts themselves is a liar.

27       “But if one walks in the night, he stumbles, because the light [Truth] is not in him.”  
28 [John 11:10, Bible, NKJV]

29       It is, of course, true that statutory construction “is a holistic endeavor” and that the meaning of a provision is  
30 “clarified by the remainder of the statutory scheme ... [when] only one of the permissible meanings produces a  
31 substantive effect that is compatible with the rest of the law.” United Sav. Assn. of Tex. v. Timbers of Inwood  
32 Forest Associates, Ltd., 484 U.S. 365, 371, 108 S.Ct. 626, 98 L.Ed.2d 740 (1988).  
33 [U.S. v. Cleveland Indians Baseball Co., 532 U.S. 200, 121 S.Ct. 1433 (2001)]

34       2.10. The Truth is best obtained from those who are not trying to sell you anything:

35       “It is good for nothing,” cries the buyer; But when he has gone his way, then he boasts.  
36 [Prov. 20:14, Bible, NKJV]

37       2.11. If, in seeking the truth, you become confused, it is usually because someone with an agenda is trying to hide or  
38 conceal the truth, usually with “words of art” and deception:

39       “For where [government] envy and self-seeking [of money they are not entitled to] exist, confusion [and  
40 deception] and every evil thing will be there.”  
41 [James 3:16, Bible, NKJV]

42       “Shall the throne of iniquity, which devises evil by law, have fellowship with You? They gather  
43 together against the life of the righteous, and condemn innocent blood. But the Lord has been my defense, and  
44 my God the rock of my refuge. He has brought on them their own iniquity, and shall cut them off in their own  
45 wickedness; the Lord our God shall cut them off.”  
46 [Psalms 94:20-23, Bible, NKJV]  
47

48       2.12. If you seek to eliminate confusion, ask of the Lord in all sincerity of heart and in fervent prayer, and it will be  
49 revealed to you:

50       “If any of you lacks wisdom, let him ask of God, who gives to all liberally and without reproach, and it will be  
51 given to him.”  
52 [James 1:5, Bible, NKJV]

53       “Trust in the LORD with all your heart,



1 And lean not on your own understanding;  
2 In all your ways acknowledge Him,  
3 And He shall direct your paths."  
4 [Prov. 3:5-6, Bible, NKJV]  
5

6 2.13. Those who refuse to learn, accept, and act upon the Truth will first be deceived and ultimately destroyed:

7 "For the mystery of lawlessness is already at work; only He [God] who now restrains will do so until He is  
8 taken out of the way. And then the lawless one [Satan] will be revealed, whom the Lord will consume with the  
9 breath of His mouth and destroy with the brightness of His coming. The coming of the lawless one [Satan] is  
10 according to the working of Satan, with all power, signs, and lying wonders, and with all unrighteous  
11 deception among those who perish, because they did not receive the love of the truth, that they might be saved  
12 [don't be one of them!]. And for this reason God will send them strong delusion [from their own  
13 government], that they should believe a lie, that they all may be condemned who did not believe the truth but  
14 had pleasure in unrighteousness."  
15 [2 Thess. 2:3-17, Bible, NKJV]  
16

17 3. If you find yourself confused about the meaning of a legal term, the following guidelines apply for arbitrating any  
18 dispute about the meaning of the term:

19 3.1. You aren't allowed to PRESUME what the word means. All presumption is a violation of due process of law for  
20 those protected by the COnstitution because physically present within a constitutional and not statutory "State",  
21 and also results in the creation of a state-sponsored religion in violation of the First Amendment if the  
22 presumption causes a surrender of rights to the government or destroys equal protection. See:

Presumption: Chief Weapon for Unlawfully Enlarging Federal Jurisdiction, Form #05.017  
<http://sedm.org/Forms/FormIndex.htm>

23 3.2. The maxim of law applies that if it ain't expressly included and authorized somewhere in the statutes, then it must  
24 be presumed to be purposefully unauthorized and excluded.

25 "*Expressio unius est exclusio alterius.* A maxim of statutory interpretation meaning that **the expression of one**  
26 **thing is the exclusion of another.** *Burgin v. Forbes*, 293 Ky. 456, 169 S.W.2d 321, 325; *Newblock v. Bowles*,  
27 170 Okl. 487, 40 P.2d 1097, 1100. *Mention of one thing implies exclusion of another. When certain persons or*  
28 *things are specified in a law, contract, or will, an intention to exclude all others from its operation may be*  
29 *inferred.* Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects  
30 of a certain provision, other exceptions or effects are excluded."  
31 [Black's Law Dictionary, Sixth Edition, p. 581]

32 3.3. If your interpretation of the statute would result in the commission of a crime or violation of law elsewhere in the  
33 code, then you can't possibly be interpreting the meaning correctly.

34 3.4. If you aren't aware of a statute that expressly identifies the meaning of the questionable term, you must give  
35 yourself and not the government the benefit of the doubt under the Ninth and Tenth Amendment, which states  
36 that all powers not expressly granted to the government are reserved to the states and the people respectively.

37 "*In the interpretation of statutes levying taxes it is the established rule not to extend their provisions, by*  
38 *implication, beyond the clear import of the language used, or to enlarge their operations so as to embrace*  
39 *matters not specifically pointed out. In case of doubt they are construed most strongly against the government,*  
40 *and in favor of the citizen."*  
41 [Gould v. Gould, 245 U.S. 151 (1917)]

42 4. The Thirteenth Amendment outlawed slavery EVERYWHERE, including on federal territory.

43 "*That it does not conflict with the Thirteenth Amendment, which abolished slavery and involuntary servitude,*  
44 *except as a punishment for crime, is too clear for argument. Slavery implies involuntary servitude—a state of*  
45 *bondage; the ownership of mankind as a chattel, or at least the control of the labor and services of one man*  
46 *for the benefit of another, and the absence of a legal right to the disposal of his own person, property, and*  
47 *services [in their entirety]. This amendment was said in the Slaughter House Cases, 16 Wall, 36, to have been*  
48 *intended primarily to abolish slavery, as it had been previously known in this country, and that it equally*  
49 *forbade Mexican peonage or the Chinese coolie trade, when they amounted to slavery or involuntary servitude*  
50 *and that the use of the word 'servitude' was intended to prohibit the use of all forms of involuntary slavery, of*  
51 *whatever class or name."*  
52 [Plessy v. Ferguson, 163 U.S. 537, 542 (1896)]

53 "*Other authorities to the same effect might be cited. It is not open to doubt that Congress may enforce the*  
54 *Thirteenth Amendment by direct legislation, punishing the holding of a person in slavery or in involuntary*  
55 *servitude except as a punishment for a crime. In the exercise of that power Congress has enacted these sections*  
56 *denouncing peonage, and punishing one who holds another in that condition of involuntary servitude. This*

1 legislation is not limited to the territories or other parts of the strictly national domain, but is operative in the  
2 states and wherever the sovereignty of the United States extends. We entertain no doubt of the validity of this  
3 legislation, or of its applicability to the case of any person holding another in a state of peonage, and this  
4 whether there be municipal ordinance or state law sanctioning such holding. It operates directly on every  
5 citizen of the Republic, wherever his residence may be.  
6 [Clyatt v. U.S., 197 U.S. 207 (1905)]  
7

8 Consequently, the government is without authority to write law that imposes ANY kind of duty or obligation against  
9 you other than simply avoiding injuring the equal rights of others.

10 Love does no harm to a neighbor; therefore love is the fulfillment of [the ONLY requirement of] the law  
11 [which is to avoid hurting your neighbor and thereby love him].  
12 [Romans 13:9-10, Bible, NKJV]  
13

14 "Do not strive with a man without cause, if he has done you no harm."  
15 [Prov. 3:30, Bible, NKJV]  
16

17 "With all [our] blessings, what more is necessary to make us a happy and a prosperous people? Still one thing  
18 more, fellow citizens--a wise and frugal Government, which shall restrain men from injuring one another,  
19 shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take  
20 from the mouth of labor the bread it has earned. This is the sum of good government, and this is necessary to  
21 close the circle of our felicities."  
22 [Thomas Jefferson: 1st Inaugural, 1801. ME 3:320]  
23

24 If someone is trying to abuse the authority of civil law to impose a mandatory duty upon you, then the only kind of law  
25 they can be enforcing is private or contract law to which you had to expressly consent at some point. Your reaction  
26 should always be to insist that they produce evidence of your consent IN WRITING. This is similar to what the courts  
27 do in the case of the government, where they can't be sued or compelled to do anything without you producing an  
28 express waiver of sovereign immunity. They got that authority and that sovereignty from you(!), because it was  
29 delegated to them by We The People, so you must ALSO have sovereign immunity. Your job as a vigilant American  
30 who cares about his freedom and rights is then to discover by what lawful mechanism you waived that sovereign  
31 immunity and the following document is very helpful in determining that mechanism:

Requirement for Consent, Form #05.003  
<http://sedm.org/Forms/FormIndex.htm>

- 32 5. The purpose of all government forms is to create and enforce usually false and prejudicial presumptions about your  
33 status that will damage your Constitutional rights and undermine your sovereignty.  
34 5.1. They use terms that are deliberately not defined either on the form or in the law itself in order to:  
35 5.1.1. Facilitate and encourage abuse of "words of art".  
36 5.1.2. Give judges and administrative personnel undue discretion and latitude to exceed their authority and  
37 violate the separation of powers doctrine.  
38 5.1.3. Encourage false presumptions about what they mean.  
39 5.1.4. Transform a society of law into a society of men and the policies of men.  
40 5.2. Nothing on government forms or in government publications are trustworthy or reliable.

41 "IRS Publications, issued by the National Office, explain the law in plain language for taxpayers and their  
42 advisors... While a good source of general information, publications should not be cited to sustain a position."  
43 [Internal Revenue Manual, Section 4.10.7.2.8 (05-14-1999)]  
44

45 5.3. It is positively FOOLISH to sign a government form under penalty of perjury that even the government agrees is  
46 untrustworthy.

47 5.4. For further details on the above scam, see:

Reasonable Belief About Income Tax Liability, Form #05.007  
<http://sedm.org/Forms/FormIndex.htm>

- 48 6. You will always lose when you play by their rules, use their biased forms, or declare any statutory status used on their  
49 biased forms or in their "void for vagueness" franchise "codes". He who makes either the forms or the rules or  
50 officiates either always wins. Instead:  
51 6.1. Always add an "Other" box and make sure the form points to an attachment that completely describes your  
52 status.

6.2. On the attachment, provide court admissible evidence signed under penalty of perjury that defines all words used on the government form in such a way that they are NOT connected with any status found in any state or federal law, thus making you “foreign” in respect to said law.

7. If you want a form to accurately describe your status as a “nontaxpayer”, you will have to make your own or modify what they offer. The only types of forms the government makes are for franchisees called “taxpayers”. This is confirmed by the IRS Mission Statement contained in IRM 1.1.1.1, which empowers the IRS to help and “service” only “taxpayers”.

7.1. For modified versions of IRS forms, see:

*Federal Forms and Publications: Family Guardian*  
<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormsPubs.htm>

7.2. For replacement forms for use by persons not engaged in government franchises or who are “nontaxpayers”, see:

SEDm Forms/Pubs Page  
<http://sedm.org/Forms/FormIndex.htm>

8. If you don’t want to play by their rules, you cannot EVER describe yourself as ANYTHING they have jurisdiction over or anything mentioned anywhere in their deliberately void for vagueness “codes”, such as:

8.1. “person” as defined in 26 U.S.C. §7701(a)(1), 26 U.S.C. §6671(b), and 26 U.S.C. §7343.

8.2. “individual” as defined in 26 CFR §1.1441-1(c)(3).

8.3. “taxpayer” as defined in 26 U.S.C. §§7701(a)(14) and 1313.

8.4. “U.S. citizen” as defined in 26 U.S.C. §1401 or 26 CFR §1.1-1(c).

8.5. “U.S. resident” as defined in 26 U.S.C. §7701(b)(1)(A).

8.6. “U.S. person” as defined in 26 U.S.C. §7701(a)(30).

8.7. Engaged in the “trade or business” franchise, which is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”.

9. To avoid being associated with any of the privileged statuses in the previous item, you should consistently do the following:

9.1. Avoid filling out government forms.

9.2. If compelled to fill out government tax forms, write on the tax form “Not Valid Without the Attached *Tax Form Attachment*, Form #04.201 and *Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001” and attach the following forms to every tax form you are compelled to fill out:

9.2.1. *Tax Form Attachment*, Form #04.201

<http://sedm.org/Forms/FormIndex.htm>

9.2.2. *Affidavit of Citizenship, Domicile, and Tax Status*, Form #02.001

<http://sedm.org/Forms/FormIndex.htm>

9.3. Every word on the forms you fill out should be legally defined either on the form itself or in the attachment you provide. Signing a form that uses terms that are not defined is like signing a blank check and putting undue discretion in the hands the bureaucrat or judge who receives or uses the form. The definitions you provide for the terms on the form should specifically state that the term DOES NOT mean what is defined in any federal or state law, and that you are not declaring a status or availing your self of a benefit of any government franchise, but rather waive your right to ever receive the benefits of any franchise. This practice:

9.3.1. Prevents misunderstandings and arguments with the recipient of the form.

9.3.2. Prevents litigation caused by the misunderstandings.

9.3.3. Prevents you from being the victim of the false presumptions of those reading the form who do not know the law. The Bible makes it a sin to presume and Christians cannot therefore condone or encourage presumptions by others, and especially those that cause a surrender of rights protected by the Constitution.

9.3.4. Puts the recipient in the box so that they cannot make any commercial use or abuse out of the form by compelling you to engage in franchises or assume a status that would connect you to franchises.

9.4. Whenever you fill out a government form you should remember that the government that prepared the form will always self-servingly omit the two most important options in the “status” or entity type boxes, which are:

9.4.1. “none of the above” AND

9.4.2. “not subject but not exempt”

By omitting the two above options, the government is indirectly compelling you to contract with and associate with them, because all franchises are contracts, and you must associate (exercise your First Amendment right to associate) with them by choosing a domicile WITHIN their jurisdiction (as a “protected person” and therefore a “customer” called a “citizen” or “resident”) before they can even lawfully contract with you to begin with under the civil law. The approach should always be to add a new box that says “Not subject but not exempt” and check it. This is further detailed in:



10. If anyone receiving a government form tries to argue with you about what you put on the form, respond as follows:
- 10.1. Indicating that the words you use to describe yourself on forms is the method by which you both contract and politically associate with a *specific* government of your own choosing in order to procure protection. The First Amendment protects your right to both politically associate (and thereby become a “citizen”, “resident”, or inhabitant) and to be free from compelled association. Therefore, no one but you has the right decide or declare your status on a government form, unless of course you appoint them to practice law on your behalf or represent you, which you should NEVER do. See:

- 10.2. Arguing that anyone who wants to compel you to describe yourself on a government form in a way that you know does not accurately characterize both your status and your intentions is committing the crime of suborning perjury and criminally tampering with a witness. All government forms are signed under penalty of perjury and therefore constitute “testimony of a witness”. YOU and not them are the witness and all witnesses are protected from duress, coercion, and retaliation because if they weren’t, the evidence they produce would be of no value and would not be admissible in a court of law. You and only you have the *exclusive* right to declare and establish your status under the civil law because doing so is how you exercise your Constitutionally protected rights to contract and associate. Any violation of those two rights defeats the entire purpose of establishing the government to begin with, which is the protection of private rights by preventing them from being involuntarily converted to public rights.
- 10.3. Insisting that it constitutes involuntary servitude in violation of the Thirteenth Amendment to compel you to either complete a government form or to fill it out in a certain way. It also means PROSECUTING those who engage in such slavery privately and personally because no lawyer is ever going to bite the hand that feeds him or jeopardize the license that his government benefactors use to silence dissent.
- 10.4. Emphasizing to those receiving the form that even if they are private parties, they are acting as agents of the government in either preparing or accepting or insisting on the form and that they are therefore subject to all the same constitutional constraints as the government in that capacity, including a Bivens Action for violation of rights. For instance, those accepting tax forms are statutory “withholding agents” per 26 U.S.C. §7701(a)(16) who are agents and officers of the government and therefore constrained by the Constitution while physically situated on land protected by the Constitution within the exclusive jurisdiction of a state of the Union.
11. If you try to submit a form to a company that accurately describes your status, they frequently may try to interfere with the process by refusing to accept it because if they do, it might create a civil or criminal liability and generate evidence in their records of such a liability. For instance, they may say any of the following:
- 11.1. We will not accept your form if you add any boxes to the form.
- 11.2. We will not accept your form if you add any attachments to the form.
- 11.3. We will not accept your form if modify our form or terms on the form.
12. If those receiving forms you fill out use any of the approaches described in the previous step, the best way to handle it is one of the following:
- 12.1. Send the information you wanted to submit separately as an addendum to an original account or job application you gave them, and indicate in the attachment that it must accompany any and every form you submit in the past, present and future, and especially if requested as part of legal discovery. Say that all forms you submit, if not accompanied by the addendum, are invalid, misleading, deceptive, and political but not legal or actionable speech without the attachment.
- 12.2. Send then an amendment IMMEDIATELY AFTER the transaction is completed via certified mail using a Certificate/Proof of Service, Form #01.002 that adds everything and all attachments they refused to accept WITH the form

For both instances above, the correspondence you send should say that this amends any and all forms submitted to the company or person for the past, present, and future and must accompany all such forms in the context of any and all legal discovery relating to you and directed at the recipient. Say that if they don’t include it, they are criminally obstructing justice and tampering with a protected witness of criminal activity. Don’t EVER allow them to have anything in their possession that isn’t associated with explanatory and exculpatory information that reflects your true status or which creates a prima facie presumption that you are voluntarily associated with any statutory status within any franchise agreement. Otherwise, they are going to use this as evidence in litigation and exclude everything else, leaving you with no method to deny the the status you claimed or what you meant in claiming it. The mandatory Legal Notice of Change in Domicile/Citizenship Records and Divorce from the United States, Form #10.001 also helps as a defense against such tactics, because it too is required to be associated with everything the government receives about

you or else the information is not valid, untrustworthy, deceptive, and misleading.

13. We have produced forms you can submit for the occasion described in the previous step whereby a properly executed government form is rejected and the witness filling it out is criminally tampered with in violation of 18 U.S.C. §1512. Submit the following forms AFTER THE FACT to remove the risks created by the witness tampering and prevent fraud charges against you:

- 13.1. Resignation of Compelled Social Security Trustee, Form #06.002-updates an existing SSA Form SS-5 to correct the status of the applicant.  
<http://sedm.org/Forms/FormIndex.htm>
- 13.2. Passport Amendment Request, Form #06.016-amends a previous USA passport application to remove false presumptions about your citizenship status and domicile  
<http://sedm.org/Forms/FormIndex.htm>
- 13.3. Legal Notice To Correct Fraudulent Tax Status, Reporting, and Withholding, Form #04.401-send this form to any company you have financial dealings with that threatened to either fire, not hire, or not do business with you because of the tax withholding paperwork you gave them. Send it AFTER the transaction or hiring is completed to correct their records.  
<http://sedm.org/Forms/FormIndex.htm>
- 13.4. SS-4 EIN Application Permanent Amendment Notice, Form #04.218-updates an EIN application to disconnect you permanently from all franchises.  
<http://sedm.org/Forms/FormIndex.htm>
- 13.5. Notice and Demand to Correct False IRS Form 1099-S, Form #04.403-send this form to an itinerant Escrow company that REFUSES to accept correct tax withholding paperwork on a real estate transaction and threatens to hold up the sale if you don't fill out the tax paperwork in a way that you KNOW is FRAUDULENT. Send AFTER the escrow transaction is completed so that you don't have to hold up the sale.  
<http://sedm.org/Forms/FormIndex.htm>
- 13.6. Retirement Account Permanent Amendment Notice, Form #04.217-Changes the character of a retirement account to a PRIVATE, non-taxable account  
<http://sedm.org/Forms/FormIndex.htm>

14. **BEWARE THE DANGERS OF GOVERNMENT ISSUED ID:**

- 14.1. Application for most forms of government ID makes you a privileged "resident" domiciled on federal territory and divorces you from the protections of the Constitution. The "United States" they are referring to below is NOT that mentioned in the Constitution, but the statutory "United States" consisting of federal territory that is no part of any de jure state of the Union.

State of Virginia  
Title 46.2 - MOTOR VEHICLES.  
Chapter 3 - Licensure of Drivers

§46.2-328.1. Licenses, permits and special identification cards to be issued only to United States citizens, legal permanent resident aliens, or holders of valid unexpired nonimmigrant visas; exceptions; renewal, duplication, or reissuance.

A. Notwithstanding any other provision of this title, except as provided in subsection G of § 46.2-345, the Department shall not issue an original license, permit, or special identification card to any applicant who has not presented to the Department, with the application, valid documentary evidence that the applicant is either (i) a citizen of the United States, (ii) a legal permanent resident of the United States, or (iii) a conditional resident alien of the United States.

- 14.2. Most states cannot and will not issue driver's licenses to those who are nonresidents of the statutory but not Constitutional "United States", which consists only of federal territory that is no part of any state of the Union. If you give them an affidavit of nonresidency, in fact, they will tell that you aren't eligible for a license and issue you a certificate of disqualification saying that they refused to issue you a license. Now wouldn't THAT be something useful to have the next time a cop stops you and tries to cite you for not having that which the government REFUSED to issue you, which is a LICENSE!
- 14.3. When or if you procure government ID of any kind, including driver's licenses, you should always do so as a NON-RESIDENT, a "transient foreigner", and neither a statutory "citizen" or statutory "resident". The place you are a "citizen" or "resident" of for all government ID applications is federal territory and not the de jure republic. Government ID is a privilege, not a right.
- 14.4. The only type of government ID you can procure without a domicile on federal territory and without being a statutory "citizen" or statutory "resident" who is effectively an officer and "employee" of the government are:

14.4.1. A USA passport. See:

*How to Apply for a Passport as a “national”*, Form #09.007  
<http://sedm.org/Forms/FormIndex.htm>

14.4.2. ID issued by your own government or group.

14.4.3. ID issued by a notary public, who is a public officer and therefore not part of the government.

14.5. For details on the dangers of government ID, see:

*Why Domicile and Becoming a “Taxpayer” Require Your Consent*, Form #05.002, Section 12 through 12.5  
<http://sedm.org/Forms/FormIndex.htm>

15. There are only TWO ways that they can enforce their rules against you. All of these rules are documented in Federal Rule of Civil Procedure 17(b):

15.1. If you have a domicile on their territory.

15.2. If you are acting in a representative capacity as a “public officer” of the United States federal corporation described in 28 U.S.C. §3002(15)(A). This includes participation in any government franchise because all such franchises inevitably turn you into government agents and officers. See:

*Government Instituted Slavery Using Franchises*, Form #05.030  
<http://sedm.org/Forms/FormIndex.htm>

Another way of stating the above two rules is that whenever a sovereign wants to reach outside its physical territory, it may only do so using its right to contract with other fellow sovereign states and people. If you aren’t domiciled on their territory, they have to produce evidence that you consented to some kind of contract or agreement with them. This is consistent with the maxim of law that debt and contract know no place:

*Debitum et contractus non sunt nullius loci.*

*Debt and contract [franchise agreement, in this case] are of no particular place.*

*Locus contractus regit actum.*

*The place of the contract [franchise agreement, in this case] governs the act.*

[Bouvier’s Maxims of Law, 1856;

SOURCE: <http://famguardian.org/Publications/BouvierMaximsOfLaw/BouviersMaxims.htm>]

16. If you don’t want them enforcing their rules against you, you can’t act like someone they have jurisdiction over either by:

16.1. Describing yourself as a “person”, franchisee (e.g. “taxpayer”, “driver”, “benefit recipient”, “U.S. citizen”), or entity referenced in their private law franchise agreement.

16.2. Invoking the “benefits” or protections of any portion of the franchise agreement. For instance, the following remedy is ONLY available to franchisees called “taxpayers” and may not be invoked by “nontaxpayers”:

[TITLE 26 > Subtitle F > CHAPTER 76 > Subchapter B > § 7433](#)  
[§ 7433. Civil damages for certain unauthorized collection actions](#)

(a) In general

If, in connection with any collection of Federal tax **with respect to a taxpayer**, any officer or employee of the Internal Revenue Service recklessly or intentionally, or by reason of negligence, disregards any provision of this title, or any regulation promulgated under this title, **such taxpayer may bring a civil action** for damages against the United States in a district court of the United States. Except as provided in section 7432, such civil action shall be the exclusive remedy for recovering damages resulting from such actions.

16.3. Filling out forms that are only for use by franchisees called “taxpayers”. The IRS mission statement at IRM 1.1.1.1 says they can ONLY help or assist “taxpayers” and the minute you ask for their help, you are implicitly admitting you are a franchisee called a “taxpayer” engaged in the “trade or business” franchise. Do you see “nontaxpayers” or persons who are sovereign and not privileged in their mission statement:

[IRM 1.1.1.1 \(02-26-1999\)](#)  
*IRS Mission and Basic Organization*

*The IRS Mission: Provide America’s taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.*

16.4. Asking for licenses such as a Taxpayer Identification Number or Social Security Number on a Form W-7, W-9, or SS-5 respectively. The only people who need such “licenses” are those receiving some kind of government



“benefit”. All such benefits are government franchises that are listed in the IRS Form 1042-S Instructions and within 26 CFR §301.6109-1(b), where they identify the criteria for when you MUST provide a “Taxpayer Identification Number”:

Box 14, Recipient’s U.S. Taxpayer Identification Number (TIN)

**You must obtain a U.S. taxpayer identification number (TIN) for:**

Any recipient whose income is effectively connected with the conduct of a trade or business in the United States. **Note.** For these recipients, exemption code 01 should be entered in box 6.

Any foreign person claiming a reduced rate of, or exemption from, tax under a tax treaty between a foreign country and the United States, unless the income is an unexpected payment (as described in Regulations section 1.1441-6(g)) or consists of dividends and interest from stocks and debt obligations that are actively traded; dividends from any redeemable security issued by an investment company registered under the Investment Company Act of 1940 (mutual fund); dividends, interest, or royalties from units of beneficial interest in a unit investment trust that are (or were, upon issuance) publicly offered and are registered with the Securities and Exchange Commission under the Securities Act of 1933; and amounts paid with respect to loans of any of the above securities.

Any nonresident alien individual claiming exemption from tax under section 871(f) for certain annuities received under qualified plans.

A foreign organization claiming an exemption from tax solely because of its status as a tax-exempt organization under section 501(c ) or as a private foundation.

Any QI.

Any WP or WT.

Any nonresident alien individual claiming exemption from withholding on compensation for independent personal services [services connected with a “trade or business”].

Any foreign grantor trust with five or fewer grantors.

Any branch of a foreign bank or foreign insurance company that is treated as a U.S. person.

- o If a foreign person provides a TIN on a Form W-8, but is not required to do so, the withholding agent must include the TIN on Form 1042-S.

[IRS Form 1042s Instructions, Year 2006, p. 14]

16.5. Using government license numbers on government forms such as the EIN, TIN, or SSN.

16.6. Failing to rebut the use of government issued identifying numbers against you by others. See:

About SSNs and TINs on Government Forms and Correspondence, Form #05.012

<http://sedm.org/Forms/FormIndex.htm>

16.7. Submitting the WRONG withholding paperwork with your private employer, bank or financial institution. The correct paperwork is the an AMENDED version of the IRS Form W-8BEN. Everything else will unwittingly make you into a “U.S. person”, a “resident alien”, a “person”, and an “individual” in the context of the IRS:

About IRS Form W-8BEN, Form #04.202

<http://sedm.org/Forms/FormIndex.htm>

16.8. Failing to rebut false Information Returns such as IRS Forms W-2, 1042-s, 1098, and 1099 filed against you by ignorant people who aren’t reading or properly obeying the law. All such documents connect you with the “trade or business” franchise and make you into a person in receipt of federal “privilege” and therefore subject to federal jurisdiction. See:

Correcting Erroneous Information Returns, Form #04.001

<http://sedm.org/Forms/FormIndex.htm>

16.9. Petitioning a “franchise court” called “United States Tax Court” that is ONLY for franchisees called “taxpayers”. Tax Court Rule 13(a) says that the court is ONLY available to “taxpayers”. You can’t petition this administrative tribunal without indirectly admitting you are a “taxpayer”. See:

The Tax Court Scam, Form #05.039

<http://sedm.org/Forms/FormIndex.htm>

Although Crowell and Raddatz do not explicitly distinguish between rights created by Congress and other rights, such a distinction underlies in part Crowell’s and Raddatz’ recognition of a critical difference between rights created by federal statute and rights recognized by the Constitution. Moreover, such a distinction seems to us to be necessary in light of the delicate accommodations required by the principle of separation of powers reflected in Art. III. The constitutional system of checks and balances is designed to guard against “encroachment or aggrandizement” by Congress at the expense of the other branches of government. Buckley v. Valeo, 424 U.S., at 122, 96 S.Ct., at 683. But when Congress creates a statutory right [a “privilege” in this case, such as a “trade or business”], it clearly has the discretion, in defining that right, to create presumptions, or assign burdens of proof, or prescribe remedies; it may also provide that persons seeking to vindicate that right must do so before particularized tribunals created to perform the specialized adjudicative tasks related to that right.<sup>FN35</sup> Such provisions do, in a sense, affect the exercise of judicial power, but they are also incidental

to Congress' power to define the right that it has created. No comparable justification exists, however, when the right being adjudicated is not of congressional creation. In such a situation, substantial inroads into functions that have traditionally been performed by the Judiciary cannot be characterized merely as incidental extensions of Congress' power to define rights that it has created. Rather, such inroads suggest unwarranted encroachments upon the judicial power of the United States, which our Constitution reserves for Art. III courts. [Northern Pipeline Const. Co. v. Marathon Pipe Line Co., 458 U.S. at 83-84, 102 S.Ct. 2858 (1983)]

Because a number of people don't understand the above subtleties, they discredit themselves by claiming to be a "nontaxpayer" not subject to the I.R.C. and yet ACTING like a "taxpayer". The IRS and the courts fine and sanction such ignorant and presumptuous conduct.

17. Franchises are the main method for destroying your sovereignty. Unless and until you understand exactly how they work and how they are used to trap and enslave the ignorant and those who don't consent, you will never be free. Government "benefits" are the "bribe" that judges and tyrants use to entice you to participate in government franchises and thereby surrender your sovereign immunity and contract away your rights. Government franchises are exhaustively explained below:

Government Instituted Slavery Using Franchises, Form #05.030

<http://sedm.org/Forms/FormIndex.htm>

18. You can't accept a financial "benefit" or payments of any kind from the government without becoming part of the government. In that sense, there are always "strings" attached to money you get from the government, many of which are completely invisible to most people. The only thing the government can lawfully pay public monies to are public officers and agents. Those who engage in such benefits must have a government license (a TIN or SSN) and thereby become a government officer or agent.

"A tax, in the general understanding of the term and as used in the constitution, signifies an exaction for the support of the government. The word has never thought to connote the expropriation of money from one group for the benefit of another."

[U.S. v. Butler, 297 U.S. 1 (1936)]

19. All government "benefits" or payments do not constitute "consideration" that can lawfully make the subject of any enforceable contract or franchise in the case of most Americans. The reason is because:  
19.1. The "benefits" are paid with Federal Reserve Notes that have no intrinsic value because they are not redeemable by the government in anything of value. See:

The Money Scam, Form #05.041

<http://sedm.org/Forms/FormIndex.htm>

- 19.2. The government doesn't have an obligation that is enforceable in a true, constitutional court in equity to those who sign up for it. All the remedies they give you are in administrative "franchise courts" that are not true constitutional courts and all participants in these proceedings are biased because they are executed by "franchisees" (e.g. "taxpayers") with a criminal and financial conflict of interest in violation of 18 U.S.C. §208, 28 U.S.C. §455, and 28 U.S.C. §144. You will always lose in these tribunals. You ought to avoid begging for anything from the government because you will be tricked into becoming their slave and whore. See:

The Government "Benefits" Scam, Form #05.040

<http://sedm.org/Forms/FormIndex.htm>

20. The only group of people the government can write law for are its own agents, officers, and employees for the most part. See:

Why Statutory Civil Law is Law for Government and Not Private Persons, Form #05.037

<http://sedm.org/Forms/FormIndex.htm>

21. You will never be free as long as you are conducting commerce with the government and thereby subject to their jurisdiction. All such commerce implies a waiver of sovereign immunity pursuant to 28 U.S.C. §1605 and inevitably makes you into a slave and a serf of tyrants. Black's Law Dictionary defines "commerce" as "intercourse". This is the same "intercourse" that Babylon the Great Harlot is having with the Beast, which the Bible defines as the kings and political rulers of the earth in Rev. 19:19.

"**Commerce**. ...**Intercourse** by way of trade and traffic between different peoples or states and the citizens or inhabitants thereof, including not only the purchase, sale, and exchange of commodities, but also the instrumentalities [governments] and agencies by which it is promoted and the means and appliances by which it is carried on..."

[Black's Law Dictionary, Sixth Edition, p. 269]

"Come, I will show you the judgment of the great harlot [Babylon the Great Harlot] who sits on many waters, with whom the kings of the earth [politicians and rulers] committed fornication, and the inhabitants of the earth were made drunk [indulged] with the wine of her fornication."

[Rev. 17:1-2, Bible, NKJV]

"And I saw **the beast, the kings of the earth**, and their armies, gathered together to make war against Him who sat on the horse and against His army."

[Rev. 19:19, Bible, NKJV]

On the subject of not associating with a corrupted government, the bible says the following:

"Come out from among them [the unbelievers and government idolaters]

And be separate, says the Lord.

**Do not touch what is unclean [the government or anything made by man],**

**And I will receive you.**

**I will be a Father to you,**

**And you shall be my sons and daughters,**

**Says the Lord Almighty."**

[2 Corinthians 6:17-18, Bible, NKJV]

"And **have no fellowship [or association] with the unfruitful works of [government] darkness, but rather reprove [rebuke and expose] them."**

[Eph. 5:11, Bible, NKJV]

"But if you are led by the Spirit, you are not under the law [man's law]."

[Gal. 5:18, Bible, NKJV]

**"Shall the throne of iniquity [the U.S. Congress and the federal judiciary], which devises evil by [obfuscating the] law [to expand their jurisdiction and consolidate all economic power in their hands by taking it away from the states], have fellowship with You? They gather together against the life of the righteous, and condemn innocent blood [of "nontaxpayers" and persons outside their jurisdiction, which is an act of extortion and racketeering]. But the Lord has been my defense, and my God the rock of my refuge. He has brought on them their own iniquity, and shall cut them off in their own wickedness; the Lord our God [and those who obey Him and His word] shall cut them off [from power and from receiving illegal bribes cleverly disguised by an obfuscated law as legitimate "taxes"]."**

[Psalms 94:20-23, Bible, NKJV.

QUESTION FOR DOUBTERS: Who else BUT Congress and the judiciary can devise "evil by law"?)

Nevertheless, God's solid foundation stands firm, sealed with this inscription: 'The Lord knows those who are His,' and, 'Everyone who confesses the name of the Lord must turn away from [not associate with] wickedness [wherever it is found, and especially in government].'

[2 Tim. 2:19, Bible, NKJV]

"It shall be a statute forever throughout your generations, that you may distinguish between holy and unholy, and between unclean and clean, and that you may teach the children of Israel all the statutes [laws] which the LORD [God] has spoken to them by the hand of Moses."

[Lev. 10:9-11, Bible, NKJV]

If you want a simplified checklist for accomplishing everything in this section, see:

Path to Freedom, Form #09.015

<http://sedm.org/Forms/FormIndex.htm>

## **27 Conclusions and Summary**

The Internal Revenue Code represents a constitutional taxing plan for two entirely separate and completely distinct legal and political communities, each with its own citizens, subjects, and unique characteristics: the "national" government and the "federal" government. These two communities are and must continue to remain completely separate as a result of the separation of powers doctrine that is at the heart of the United States Constitution. This separation was put there by the framers of the Constitution for the protection of our liberties and rights:

"We start with first principles. The Constitution creates a Federal Government of enumerated powers. See U.S. Const., Art. I, 8. As James Madison wrote, "[t]he powers delegated by the proposed Constitution to the federal government are few and defined. Those which are to remain in the State governments are numerous and

indefinite." The Federalist No. 45, pp. 292-293 (C. Rossiter ed. 1961). **This constitutionally mandated division of authority "was adopted by the Framers**



1 to ensure protection of our fundamental liberties." Gregory v. Ashcroft,  
2 501 U.S. 452, 458 (1991) (internal quotation marks omitted). "Just as the separation and independence of  
3 the coordinate branches of the Federal Government serves to prevent the accumulation of excessive power in  
4 any one branch, a healthy balance of power between the States and the Federal Government will reduce the  
5 risk of tyranny and abuse from either front." Ibid. "  
6 [U.S. v. Lopez, 514 U.S. 549 (1995)]  
7

8 "The people of the United States, by their Constitution, have affirmed a division of internal governmental  
9 powers between the federal government and the governments of the several states-committing to the first its  
10 powers by express grant and necessary implication; to the latter, or [301 U.S. 548, 611] to the people, by  
11 reservation, 'the powers not delegated to the United States by the Constitution, nor prohibited by it to the  
12 States.' The Constitution thus affirms the complete supremacy and independence of the state within the field of  
13 its powers. Carter v. Carter Coal Co., 298 U.S. 238, 295, 56 S.Ct. 855, 865. The federal government has no  
14 more authority to invade that field than the state has to invade the exclusive field of national governmental  
15 powers; for, in the oft-repeated words of this court in Texas v. White, 7 Wall. 700, 725, 'the preservation of the  
16 States, and the maintenance of their governments, are as much within the design and care of the Constitution as  
17 the preservation of the Union and the maintenance of the National government.' The necessity of preserving  
18 each from every form of illegitimate intrusion or interference on the part of the other is so imperative as to  
19 require this court, when its judicial power is properly invoked, to view with a careful and discriminating eye  
20 any legislation challenged as constituting such an intrusion or interference. See South Carolina v. United  
21 States, 199 U.S. 437, 448, 26 S.Ct. 110, 4 Ann.Cas. 737."  
22 [Steward Machine Co. v. Davis, 301 U.S. 548 (1937)]  
23

24 The Constitution does not protect the sovereignty of States for the benefit of the States or state governments as  
25 abstract political entities, or even for the benefit of the public officials governing the States. To the contrary,  
26 the Constitution divides authority between federal and state governments for the protection of individuals.  
27 State sovereignty is not just an end in itself: "Rather, federalism secures to citizens the liberties that derive  
28 from the diffusion of sovereign power." Coleman v. Thompson, 501 U.S. 722, 759 (1991) (BLACKMUN, J.,  
29 dissenting). "Just as the separation and independence of the coordinate branches of the Federal Government  
30 serve to prevent the accumulation of excessive power in any one branch, a healthy balance of power between  
31 the States and the Federal Government will reduce the risk of tyranny and abuse from either front." Gregory  
32 v. [505 U.S. 144, 182] Ashcroft, 501 U.S., at 458 . See The Federalist No. 51, p. 323. (C. Rossiter ed.  
33 1961).

34 Where Congress exceeds its authority relative to the States, therefore, the departure from the constitutional  
35 plan cannot be ratified by the "consent" of state officials. An analogy to the separation of powers among the  
36 branches of the Federal Government clarifies this point. The Constitution's division of power among the  
37 three branches is violated where one branch invades the territory of another, whether or not the encroached-  
38 upon branch approves the encroachment. In Buckley v. Valeo, 424 U.S. 1, 118 -137 (1976), for instance, the  
39 Court held that Congress had infringed the President's appointment power, despite the fact that the President  
40 himself had manifested his consent to the statute that caused the infringement by signing it into law. See  
41 National League of Cities v. Usery, 426 U.S., at 842, n. 12. In INS v. Chadha, 462 U.S. 919, 944 -959 (1983),  
42 we held that the legislative veto violated the constitutional requirement that legislation be presented to the  
43 President, despite Presidents' approval of hundreds of statutes containing a legislative veto provision. See id.,  
44 at 944-945. The constitutional authority of Congress cannot be expanded by the "consent" of the governmental  
45 unit whose domain is thereby narrowed, whether that unit is the Executive Branch or the States.  
46 [New York v. United States, 505 U.S. 144, 112 S.Ct. 2408, 120 L.Ed.2d 120 (1992)]

47 States of the Union are "foreign countries" and "foreign states" with respect to federal taxing jurisdiction. This was  
48 explained by the U.S. Supreme Court and is also found in Black's Law Dictionary:

49 "The state governments, in their separate powers and independent sovereignties, in their reserved powers, are  
50 just as much beyond the jurisdiction and control of the National Government as the National Government in its  
51 sovereignty is beyond the control and jurisdiction of the state government."

52 "...a State has the same undeniable and unlimited jurisdiction over all persons and things within its  
53 territorial limits, as any foreign nation..."  
54 [Mayer, etc. of the City of New York v. Miln., 36 U.S. 102, 11 Pet. 102, 9 L.Ed. 648 (1837)]  
55

56 "It is no longer open to question that the general government, unlike the states, Hammer v. Dagenhart, 247  
57 U.S. 251, 275, 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, possesses no inherent power in respect of the  
58 internal affairs of the states; and emphatically not with regard to legislation. The question in respect of the  
59 inherent power of that government as to the external affairs of the Nation and in the field of international law is  
60 a wholly different matter which it is not necessary now to consider. See, however, Jones v. United States, 137  
61 U.S. 202, 212, 11 S.Ct. 80; Nishimur Ekiu v. United States, 142 U.S. 651, 659, 12 S.Ct. 336; Fong Yue Ting v.

United States, [149 U.S. 698](#), 705 et seq., 13 S.Ct. 1016; *Burnet v. Brooks*, [288 U.S. 378, 396](#), 53 S.Ct. 457, 86 A.L.R. 747.”  
[*Carter v. Carter Coal Co.*, [298 U.S. 238](#) (1936)]

The determination of the Framers Convention and the ratifying conventions to preserve complete and unimpaired state self-government in all matters not committed to the general government is one of the plainest facts which emerge from the history of their deliberations. And adherence to that determination is incumbent equally upon the federal government and the states. State powers can neither be appropriated, on the one hand, nor abdicated, on the other. As this court said in *Texas v. White*, 7 Wall. 700, 725 --the preservation of the States, and the maintenance of their governments, are as much within the design and care of the Constitution as the preservation of the Union and the maintenance of the National Government. The Constitution, in all its provisions, looks to an indestructible Union, composed of indestructible States.

Every journey to a forbidden end begins with the first step, and the danger of such a step by the federal government in the direction of taking over the powers of the states is that the end of the journey may find the states so despoiled of their powers, or -- what may amount to the same thing -- so [298 U.S. 296] relieved of the responsibilities which possession of the powers necessarily enjoins, as to reduce them to little more than geographical subdivisions of the national domain. It is safe to say that, if, when the Constitution was under consideration, it had been thought that any such danger lurked behind its plain words, it would never have been ratified.  
[*Carter v. Carter Coal Co.*, 298 U.S. 238 (1936) ]

*Foreign States*: “Nations outside of the United States...Term may also refer to another state; i.e. a sister state. The term ‘foreign nations’, ...should be construed to mean all nations and states other than that in which the action is brought; and hence, one state of the Union is foreign to another, in that sense.”  
[*Black’s Law Dictionary*, 6<sup>th</sup> Edition, p. 648]

*Foreign Laws*: “The laws of a foreign country or sister state. In conflicts of law, the legal principles of jurisprudence which are part of the law of a sister state or nation. Foreign laws are additions to our own laws, and in that respect are called ‘jus receptum’.”  
[*Black’s Law Dictionary*, 6<sup>th</sup> Edition, p. 647]

The revenue system documented by Subtitle A of the Internal Revenue Code is intended for the “national government” and not the “federal government”, and applies primarily to the following three groups:

1. Public officers (called statutory “employees”) effectively domiciled in the District of Columbia: The tax imposed in [26 U.S.C. §1](#) against those domiciled in the federal zone engaged in a “trade or business”, which is defined as “the functions of a public office” in [26 U.S.C. §7701\(a\)\(26\)](#). This includes:
  - 1.1. “U.S. citizens” who are described in 8 U.S.C. §1401 as persons born in the federal zone. See: <http://famguardian.org/Subjects/LawAndGovt/Citizenship/WhyANational.pdf>
  - 1.2. “residents” who are all aliens and foreign nationals domiciled in our country.
2. Public officers (statutory “employees”) effectively domiciled in the District of Columbia and traveling overseas: The tax is imposed under [26 U.S.C. §911](#) upon those domiciled in the federal zone who are traveling temporarily over seas and fall under a tax treaty. The tax applies only to “trade or business” income which is recorded on an IRS Form 1040 and 2555. See also the Supreme Court case of *Cook v. Tait*, 265 U.S. 47 (1924).
3. Nonresident aliens receiving government payments: The tax imposed under [26 U.S.C. §871](#) on nonresident aliens with government income that is:
  - 3.1. Not connected with a “trade or business” under [26 U.S.C. §871\(a\)](#) but originates from the District of Columbia.
  - 3.2. Connected with a “trade or business” under [26 U.S.C. §871\(b\)](#).

There is no question that Subtitle A of the Internal Revenue Code is entirely constitutional and lawful when administered consistent with its legislative intent and consistent with the words that are clearly defined in [26 U.S.C. §7701](#) as strictly interpreted according to the Rules of Statutory Construction. Those rules are clearly described in the memorandum below:

Meaning of the Words “Includes” and “Including”, Form #05.014  
<http://sedm.org/Forms/FormIndex.htm>

When Congress passed the first income tax in 1862 as an emergency to fund the Civil War, they passed an income tax mainly upon “public officers” of the United States government and federal instrumentalities. See:

#### **Nonresident Alien Position**

Copyright Sovereignty Education and Defense Ministry, <http://sedm.org>  
Form 05.020, Rev. 9-20-2009

306 of 327

EXHIBIT: \_\_\_\_\_



However, what was originally intended mainly as a municipal income tax for instrumentalities and statutory “employees” (5 U.S.C. §2105(a)) of the District of Columbia, or “national government” has been misrepresented and misapplied towards people in states of the Union. This usurpation by the Executive Branch in collusion with a corrupted federal judiciary has become a systematic recipe for deprivation of rights under the “color of law” by a de facto band of thieves in what colorful author Samuel Clemens (Mark Twain) called “the District of Criminals”. These thieves are now operating what the courts call a “sham trust”, in which the “trustees” of the “public trust” are usurping authority under the color of law to administer the charitable trust called “government” for their own personal benefit. Ironically, the main source of this corruption and breakdown of the separation of powers has come because of these very same courts. The corruption of our courts is exhaustively documented in the book available on our website below:

*What Happened To Justice?, Form #06.012*

<http://sedm.org/ItemInfo/Ebooks/WhatHappJustice/WhatHappJustice.htm>

The American people, the federal courts, and the legal profession have not lived up to their duty to prevent such “stealthy encroachments” upon their liberty, which has lead to the growth of a massive tumor on the body politic that is leading to an erosion of our liberties and freedoms, morality, and standard of living.

*“It may be that it is the obnoxious thing in its mildest and least repulsive form; but illegitimate and unconstitutional practices get their first footing in that way, namely, by silent approaches and slight deviations from legal modes of procedure. This can only be obviated by adhering to the rule that constitutional provisions for the security of person and property should be liberally construed. A close and literal construction deprives them of half their efficacy, and leads to gradual depreciation of the right, as if it consisted more in sound than in substance. It is the duty of courts to be watchful for the constitutional rights of the citizen, and against any stealthy encroachments thereon. Their motto should be obsta principiis. We have no doubt that the legislative body is actuated by the same motives; but the vast accumulation of public business brought before it sometimes prevents it, on a first presentation, from noticing objections which become developed by time and the practical application of the objectionable law.”*  
[Boyd v. U.S., 116 U.S. 616, 6 S.Ct. 524 (1886)]

The main thing that has changed since the original income tax was passed in 1862 to fund the Civil War is the morality and integrity of those who administer our legal and tax systems, and that morality and integrity has seriously eroded to the point where the “de facto” legal and tax systems we have now completely violate the foundational principles of our government documented in the Declaration of Independence: consent of the governed. The “de facto” system of government we have now is so out of tune with the “de jure” government described in our founding documents that it has become socialist and communist for all practical purposes. Its present composition, in fact, is accurately described by the Beast itself in its own laws, which have become a blue print for the very destruction we have witnessed over the years:

TITLE 50 > CHAPTER 23 > SUBCHAPTER IV > Sec. 841.  
Sec. 841. - Findings and declarations of fact

*The Congress finds and declares that the Communist Party of the United States [consisting of the IRS, DOJ, and a corrupted federal judiciary], although purportedly a political party, is in fact an instrumentality of a conspiracy to overthrow the [de jure] Government of the United States [and replace it with a defacto government ruled by a the judiciary]. It constitutes an authoritarian dictatorship [IRS, DOJ, and corrupted federal judiciary in collusion] within a [constitutional] republic, demanding for itself the rights and privileges [including immunity from prosecution for their wrongdoing in violation of Article 1, Section 9, Clause 8 of the Constitution] accorded to political parties, but denying to all others the liberties [Bill of Rights] guaranteed by the Constitution. Unlike political parties, which evolve their policies and programs through public means, by the reconciliation of a wide variety of individual views, and submit those policies and programs to the electorate at large for approval or disapproval, the policies and programs of the Communist Party are secretly [by corrupt judges and the IRS in complete disregard of the tax laws] prescribed for it by the foreign leaders of the world Communist movement [the IRS and Federal Reserve]. Its members [the Congress, which was terrorized to do IRS bidding recently by the framing of Congressman Traficant] have no part in determining its goals, and are not permitted to voice dissent to party objectives. Unlike members of political parties, members of the Communist Party are recruited for indoctrination [in the public schools by homosexuals, liberals, and socialists] with respect to its objectives and methods, and are organized, instructed, and disciplined [by the IRS and a corrupted judiciary] to carry into action slavishly the assignments given them by their hierarchical chieftains. Unlike political parties, the Communist Party [thanks to a corrupted federal judiciary] acknowledges no constitutional or statutory limitations upon its conduct or upon that of its members. The Communist Party is relatively small numerically, and gives scant indication of capacity ever to attain its ends by lawful political means. The peril inherent in its operation arises not from its numbers, but*



1 from its failure to acknowledge any limitation as to the nature of its activities, and its dedication to the  
2 proposition that the present constitutional Government of the United States ultimately must be brought to  
3 ruin by any available means, including resort to force and violence [or using unlawfully enforced income  
4 taxes]. Holding that doctrine, its role as the agency of a hostile foreign power [the Federal Reserve and the  
5 American Bar Association (ABA)] renders its existence a clear present and continuing danger to the security  
6 of the United States. It is the means whereby individuals are seduced into the service of the world Communist  
7 movement, trained to do its bidding, and directed and controlled in the conspiratorial performance of their  
8 revolutionary services. Therefore, the Communist Party should be outlawed

9 The requirement for consent is being completely disregarded, and our government has become a terrorist government that  
10 operates either by disguising the requirement for consent or ignoring it entirely in the administration of our tax system. In  
11 that sense, it has become a "protection racket" and taxes have become protection money paid to a protected haven for  
12 financial terrorists in the District of Columbia. Our government has transformed itself from its de jure role as protector to a  
13 de facto role as a predator and protection racket and is no longer deserving of our sponsorship or allegiance. As what the  
14 Supreme Court calls the "Sovereign People", we have not only a right, but a duty, according to the Declaration of  
15 Independence, to withdraw our support and allegiance and to divert both to that which will provide a "new Guards for their  
16 future security":

17 "That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to  
18 alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing  
19 its powers in such form, as to them shall seem most likely to effect their Safety and Happiness... But when a  
20 long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them  
21 under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new  
22 Guards for their future security"  
23 [Declaration of Independence]

24 The systematic destruction of the separation of powers over the years since our founding are carefully described in the  
25 document below, for those who wish to investigate further:

Government Conspiracy to Destroy the Separation of Powers, Form #05.023  
<http://sedm.org/Forms/FormIndex.htm>

26 Family Guardian Fellowship has also assembled a brief, historical, and pictorial presentation that graphically shows exactly  
27 how our liberties have been systematically and maliciously destroyed and undermined over the years by scoundrel lawyers  
28 and politicians over the years. See the following if you would like further information:

How Scoundrels Corrupted Our Republican Form of Government  
<http://famguardian.org/Subjects/Taxes/Evidence/HowScCorruptOurRepubGovt.htm>

29 Only We the People can correct this corruption of our American legal and political systems which has been carefully  
30 engineered to destroy the separation of powers doctrine and consolidate all political power in Washington D.C. We must  
31 do it as voters, as jurists, and eventually with a revolution if need be:

32 "In America, freedom and justice have always come from the ballot box, the jury box, and when that fails, the  
33 cartridge box."  
34 [Steve Symms, U.S. Senator, Idaho]

35 The quote above, incidentally, explains the reasons why socialist politicians want to outlaw guns: so that we as the  
36 Sovereigns and their Masters are left totally without remedy when legislative fiat has completely destroyed our God-given  
37 rights. Thomas Jefferson, one of our most beloved founding fathers and the author of our Declaration of Independence,  
38 warned us about the dangers of this consolidation of power into the hands of the federal government and predicted  
39 everything that has happened to date in destroying the separation of powers when he said:

40 "When all government, domestic and foreign, in little as in great things, shall be drawn to Washington as the  
41 center of all power, it will render powerless the checks provided of one government on another and will become  
42 as venal and oppressive as the government from which we separated."  
43 [Thomas Jefferson to Charles Hammond, 1821. ME 15:332]

44 "Our government is now taking so steady a course as to show by what road it will pass to destruction; to wit: by  
45 consolidation first and then corruption, its necessary consequence. The engine of consolidation will be the  
46 Federal judiciary; the two other branches the corrupting and corrupted instruments."  
47 [Thomas Jefferson to Nathaniel Macon, 1821. ME 15:341 ]

"The [federal] judiciary branch is the instrument which, working like gravity, without intermission, is to press us at last into one consolidated mass."

[Thomas Jefferson to Archibald Thweat, 1821. ME 15:307]

"There is no danger I apprehend so much as the consolidation of our government by the noiseless and therefore unalarming instrumentality of the Supreme Court."

[Thomas Jefferson to William Johnson, 1823. ME 15:421 ]

"I wish... to see maintained that wholesome distribution of powers established by the Constitution for the limitation of both [the State and General governments], and never to see all offices transferred to Washington where, further withdrawn from the eyes of the people, they may more secretly be bought and sold as at market."

[Thomas Jefferson to William Johnson, 1823. ME 15:450]

"What an augmentation of the field for jobbing, speculating, plundering, office-building and office-hunting would be produced by an assumption of all the State powers into the hands of the General Government!"

[Thomas Jefferson to Gideon Granger, 1800. ME 10:168]

"I see,... and with the deepest affliction, the rapid strides with which the federal branch of our government is advancing towards the usurpation of all the rights reserved to the States, and the consolidation in itself of all powers, foreign and domestic; and that, too, by constructions which, if legitimate, leave no limits to their power... It is but too evident that the three ruling branches of [the Federal government] are in combination to strip their colleagues, the State authorities, of the powers reserved by them, and to exercise themselves all functions foreign and domestic."

[Thomas Jefferson to William Branch Giles, 1825. ME 16:146 ]

"We already see the [judiciary] power, installed for life, responsible to no authority (for impeachment is not even a scare-crow), advancing with a noiseless and steady pace to the great object of consolidation. The foundations are already deeply laid by their decisions for the annihilation of constitutional State rights and the removal of every check, every counterpoise to the engulfing power of which themselves are to make a sovereign part."

[Thomas Jefferson to William T. Barry, 1822. ME 15:388 ]

For further quotes supporting the above, see:

Quotes from Thomas Jefferson on Politics and Government

<http://famguardian.org/Subjects/Politics/ThomasJefferson/jeff1060.htm>

Finally, the following very important conclusions of law are firmly established in this pamphlet and in other places on our website based on the government's own laws, statements, and judicial rulings:

1. Human beings domiciled within the exclusive jurisdiction of a state of the Union are:
  - 1.1. NOT statutory "U.S. nationals" as defined in [8 U.S.C. §1408](#) or [8 U.S.C. §1101\(a\)\(22\)\(B\)](#).
  - 1.2. "nonresident aliens" as defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#).
  - 1.3. "Citizens" within the meaning of the United States Constitution.
  - 1.4. "nationals" but not statutory "citizens" within the meaning of federal law as defined in [8 U.S.C. §1101\(a\)\(21\)](#) and [8 U.S.C. §1452](#).
2. Both statutory "U.S. nationals" under [8 U.S.C. §1101\(a\)\(22\)\(B\)](#) and "nationals" but not "citizens" under [8 U.S.C. §1101\(a\)\(21\)](#) and [8 U.S.C. §1452](#) have the same status under the Internal Revenue Code, which is that of a "nonresident alien" as defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#).
3. "nonresident aliens" as defined in [26 U.S.C. §7701\(b\)\(1\)\(B\)](#) are not equivalent to "aliens" as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#). For instance, a person who is a "national" but not a "citizen" under [8 U.S.C. §1101\(a\)\(21\)](#) and [8 U.S.C. §1452](#) is a "nonresident alien" but not an "alien". The IRS tries to confuse this point in their Publication 519 by titling the publication "U.S. tax Guide for Aliens" and then discussing "aliens" and "nonresident aliens". They do this so that people will avoid declaring themselves to be "nonresident aliens".
4. Most people will usually make all of the following false presumptions about your status because they have never read the definition of "United States" in the Internal Revenue Code and because the public schools have made them not only ignorant about the law and so untrusting of their own ability to read and understand it that they would rather believe what LYING government employees with a conflict of interest and who are not accountable for what they say tell them than read the law for themselves.
  - 4.1. Falsely presume that the Internal Revenue Code is "public law", when in fact it is private law and a VOLUNTARY federal franchise that only applies to those who consent in some way. See:

Requirement for Consent, Form #05.003

<http://sedm.org/Forms/FormIndex.htm>

- 4.2. Falsely presume that there is no separation of powers and that federal legislation applies within states of the Union. See:

Government Conspiracy to Destroy the Separation of Powers, Form #05.023

<http://sedm.org/Forms/FormIndex.htm>

- 4.3. Falsely presume that whatever mailing address you give them is your legal “domicile” and that you maintain a domicile in the “United States” and therefore cannot be a “nonresident alien”.

- 4.4. Falsely presume that the term “State” as used on federal forms and federal law (such as [4 U.S.C. §110\(d\)](#)) is the same as the term “State” in the Constitution. In fact, they are two mutually exclusive and completely different things. See:

Authorities on “State”

<http://famguardian.org/TaxFreedom/CitesByTopic/State.htm>

- 4.5. Falsely presume that the term “citizen” on a federal form is equivalent to the term “citizen” in the Constitution. In fact, they are two mutually exclusive things that cannot overlap. See:

Why You are a “national”, “state national”, and Constitutional but not Statutory Citizen, Form #05.006

<http://sedm.org/Forms/FormIndex.htm>

To prevent all of the above false presumptions from injuring your rights and protect yourself, we STRONGLY recommend attaching the following form to every government form you give to anyone and placing the following phrase on the government form above your signature: “Signature not valid without attached signed Affidavit of Citizenship, Domicile, and Tax Status”. Here is the form to attach:

Affidavit of Citizenship, Domicile, and Tax Status, Form #02.001

<http://sedm.org/Forms/FormIndex.htm>

5. Both “nonresident aliens” and “aliens” are called “foreign persons” within IRS publications. A person born in a state of the Union is a “foreign person” for the purposes of federal statutory jurisdiction. This is because states of the Union are “foreign” with respect to the national government for the purposes of legislative jurisdiction. For more information about “foreign persons”, read:

5.1. IRS Publications 515: Withholding of Tax on Nonresident Aliens and Foreign Corporations

5.2. IRS Publication 519: US. Tax Guide for Aliens

6. The IRS wants to steer people away from using this position or being successful at using it because it significantly and lawfully reduces their revenues, so they have set traps in their forms to get people in trouble who use it in order to scare the rest of the sheep away.

6.1. They did not provide an option for “transient foreigner” in W-8BEN form Block 3.

6.2. They do not define the phrase “permanent address” on the W-8BEN form, which means “domicile”. Filling this field out improperly can destroy your status as a nonresident alien.

6.3. They added the phrase “Beneficial Owner” to the form and then defined it at 26 CFR §1.1441-1(c)(6) essentially to mean a “taxpayer”. The old version of the IRS Form W-8 did not use this word and too many people were using it, so they:

6.3.1. Published a new version of the form that creates a false presumption that the submitter is a “taxpayer”.

6.3.2. Did not provide another version of the W-8 form for use by “nonresident aliens” who are NOT “Beneficial Owners”.

You must use AMENDED versions of all the IRS Forms in order to avoid these traps, which are available below:

Federal Forms and Publications

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFormsPubs.htm>

And when you fill out a W-8BEN, you should follow the instructions below to avoid the above traps:

About IRS Form W-8BEN, Form #04.202

<http://sedm.org/Forms/FormIndex.htm>

7. The term “nonresident alien” is a “word of art” that is designed to confuse people and steer them away from using that term. That term should more properly be termed as a “State-domiciled person”, where “State” is defined as a state of the Union and not the federal “State” defined in [4 U.S.C. §110\(d\)](#).

8. A “nonresident alien” can voluntarily change their status into that of a “resident alien” by either filing an IRS Form 1040 or by engaging in a “trade or business”. Those who want to avoid jeopardizing their status as nonresident aliens should avoid either of these traps.

9. A person with no domicile in a place is referred to as a “transient foreigner” and a “nontaxpayer” with respect to that place. IRS Form W-8BEN has no option under Block 3 to indicate this status because IRS DOES NOT want to encourage people to lawfully declare themselves to be “nontaxpayers”. If you want to correctly declare this status on a government form, you will need to make your own modified versions of all the forms you submit. See the following



link for modified versions of most IRS Forms:

<http://famguardian.org/TaxFreedom/Forms/IRS/IRSFoFormsPubs.htm>

10. You cannot be a “nonresident alien” and an “individual” at the same time. 5 U.S.C. §552a(a)(2) defines an “individual” as either statutory “citizen” or a statutory “resident”. If you are in deed and in fact a “nonresident alien”, you would be committing perjury under penalty of perjury by submitting any IRS Form that identifies you as an “individual”. Instead, you are a “transient foreigner” and pursuant to 5 U.S.C. §552a(b), the IRS has NO LAWFUL AUTHORITY to maintain any kind of record about you without your consent as a “foreign person”.

*“The privacy act only grants rights to U.S. citizens and to aliens lawfully admitted for permanent residence.*

***As a result, a nonresident foreign national [AND THE GOVERNMENT!] cannot use the act’s provisions.***

*However, a nonresident foreign national may use the FOIA to request records about himself or herself.”*

*[A Citizen’s Guide to Using the Freedom of Information Act and the Privacy Act of 1974 to Request*

*Government Records, Section VII.A, p. 24;*

*SOURCE: <http://famguardian.org/TaxFreedom/LegalRef/FOIACitizensGuide.pdf>*

You should repeatedly emphasize in every correspondence you have with them that they DO NOT have your consent to maintain any records about you and are to DESTROY ALL RECORDS, and especially information returns and tax records. If they don’t destroy these records, then they are violating your privacy and violating the Fourth Amendment to the United States Constitution.

11. “Nonresident” persons, including “nonresident aliens”, are not subject to any provision of any law which describes them as “nonresident persons”. This includes the entire Internal Revenue Code.
12. A “nonresident alien” not engaged in a “trade or business” is described as a “foreign estate” not subject to the Internal Revenue Code within 26 U.S.C. §7701(a)(31). Everyone signing any check at any financial institution should include the following statement immediately under their signature in order to preserve and protect their status in the context of that transaction:

*“A foreign estate pursuant to 26 U.S.C. §7701(a)(31).”*

13. “Domicile” is what establishes whether we are a “resident”. “Domicile” is a voluntary choice you make, and it is NOT established ONLY by physical presence in a place. No court of law can lawfully change your choice of domicile, because it is a First Amendment choice of political affiliation and they would be involving themselves in “political questions” and violating the First Amendment by interfering with that choice. Furthermore, in the context of taxes, 28 U.S.C. §2201(a) says no court can declare rights or status in the context of federal income taxes, which means that if you declare yourself to be a “nonresident alien”, then the court has no authority to declare any other status or contradict you on that point. Therefore, they have no authority to involuntarily transform a “nonresident” into a “resident” in the context of the Internal Revenue Code. Only you, based on the papers you file with the government, can lawfully declare or establish your residency status and the courts MUST take YOUR word for it. See the following very important memorandum on this subject for details:

*Why Domicile and Becoming a “Taxpayer” Require Your Consent*, Form #05.002

<http://sedm.org/Forms/FormIndex.htm>

14. Nonresident aliens not engaged in a “trade or business”, which is defined in 26 U.S.C. §7701(a)(26) as “the functions of a public office”, cannot lawfully take any tax deductions under 26 U.S.C. §162. This scares many people away from the status, but in fact, if you don’t earn any “trade or business” income, then in most cases, you don’t need any deductions because you don’t have any taxable income. Therefore, there is nothing to fear about not having any deductions. As long as all sources of “trade or business” earnings documented on information returns are properly and timely rebutted, there is no reason to need deductions because there can be no “gross income” pursuant to 26 U.S.C. §871(b). See the following memorandum on this subject for details:

*The “Trade or Business” Scam*, Form #05.001

<http://sedm.org/Forms/FormIndex.htm>

15. Anyone using the Nonresident Alien Position documented in this pamphlet should be thoroughly versed in every aspect of the “includes” argument documented in the memorandum below, and be ready to defend against it at a moment’s notice. The “includes” argument is the *only* defense the government has to contradict the content of this pamphlet and it is a VERY weak argument for those who know the rules of statutory construction.

*Meaning of the Words “Includes” and “Including”*, Form #05.014

<http://sedm.org/Forms/FormIndex.htm>

16. Even a person who lives in the District of Columbia can lawfully be a “nonresident alien” if he does not voluntarily declare a domicile there. See:

## 28 Resources for Further Study and Rebuttal

If you would like to study the subjects covered in this short pamphlet in further detail, may we recommend the following authoritative sources, and also welcome you to rebut any part of this pamphlet after you have read it and studied the subject carefully yourself just as we have:

1. *A Detailed Study into the Meaning of the term "United States" found in the Internal Revenue Code*  
<http://famguardian.org/Subjects/Taxes/ChallJurisdiction/Definitions/freemaninvestigation.htm>
2. *Why Domicile and Becoming a "Taxpayer" Require Your Consent*, Form #05.002- Shows why you aren't a "resident" of the "United States"  
<http://sedm.org/Forms/FormIndex.htm>
3. *Legal Basis for the Term "Nonresident Alien"*, Form #05.036  
<http://sedm.org/Forms/FormIndex.htm>
4. *Why You are a "national", "state national", and Constitutional but not Statutory Citizen*, Form #05.006- Free pamphlet that shows why people domiciled in states of the Union are nonresident aliens  
<http://sedm.org/Forms/FormIndex.htm>
5. *Separation of Powers Doctrine*- Free article  
<http://famguardian.org/Subjects/LawAndGovt/Articles/SeparationOfPowersDoctrine.htm>
6. *Cooperative Federalism*, Form #05.034- Free pamphlet in our Liberty University that describes the separation of state and federal governments and why they are "foreign" with respect to each other  
<http://sedm.org/Forms/FormIndex.htm>
7. *Liberty University*- Free educational materials for regaining your sovereignty as an entrepreneur or private person  
<http://sedm.org/LibertyU/LibertyU.htm>
8. *Family Guardian Website, Taxation page*- Free website  
<http://famguardian.org/Subjects/Taxes/taxes.htm>
9. *Sovereignty Forms and Instructions Online*, Form #10.004- Free references and tools to help those who want to escape federal slavery  
<http://famguardian.org/TaxFreedom/FormsInstr.htm>
10. *Great IRS Hoax*, Form #11.302 book, and especially sections 5.6.15 through 5.6.15.8- Free downloadable electronic book  
<http://sedm.org/Forms/FormIndex.htm>

## 29 Questions that Readers, Grand Jurors, and Petit Jurors Should be Asking the Government

These questions are provided for readers, Grand Jurors, and Petit Jurors to present to the government or anyone else who would challenge the facts and law appearing in this pamphlet, most of whom work for the government or stand to gain financially from perpetuating the fraud. If you find yourself in receipt of this pamphlet, you are demanded to answer the questions within 10 days. Pursuant to [Federal Rule of Civil Procedure 8\(b\)\(6\)](#), failure to deny within 10 days constitutes an admission to each question. Pursuant to [26 U.S.C. §6065](#), all of your answers must be signed under penalty of perjury. We are not interested in agency policy, but only sources of reasonable belief identified in the pamphlet below:

Your answers will become evidence in future litigation, should that be necessary in order to protect the rights of the person against whom you are attempting to unlawfully enforce federal law.

1. Admit that each state of the Union legislates for TWO mutually exclusive jurisdictions:
  - 1.1. Territory of the state subject to the exclusive jurisdiction of the state. These areas are referred to as the "Republic State" within this document.
  - 1.2. Federal areas and possessions within the exterior limits of the state. These areas are referred to as the "Corporate State" within this document.

YOUR ANSWER (circle one): Admit/Deny

2. Admit that neither the state nor the federal constitutions authorize the existence of the Corporate State, and that all powers not expressly granted to the state and federal governments by their respective constitutions are reserved to the People of the state.

YOUR ANSWER (circle one): Admit/Deny

3. Admit that it is a conflict of interest for officers of the Republic State to also serve the Corporate State.

YOUR ANSWER (circle one): Admit/Deny

4. Admit that federal areas within the "Corporate State" are described in [Article 1](#), Section 8, Clause 17 of the United States Constitution.

*United States Constitution  
Article 1, Section 8, Clause 17*

*The Congress shall have Power [ . . . ]*

*To exercise exclusive Legislation in all Cases whatsoever, over such District (not exceeding ten Miles square) as may, by Cession of Particular States, and the Acceptance of Congress, become the Seat of the Government of the United States, and to exercise like Authority over all Places purchased by the Consent of the Legislature of the State in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards and other needful Buildings;--And*

[SOURCE: <http://caselaw.lp.findlaw.com/data/constitution/article01/>]

YOUR ANSWER (circle one): Admit/Deny

5. Admit that federal areas within the "Corporate State" are not protected by the Bill of Rights, which are the first Ten Amendments to the United States Constitution.

*"Indeed, the practical interpretation put by Congress upon the Constitution has been long continued and uniform to the effect \*279 that the Constitution is applicable to territories acquired by purchase or conquest, only when and so far as Congress shall so direct."*  
[Downes v. Bidwell, 182 U.S. 244, at 278-279 (1901)]

YOUR ANSWER (circle one): Admit/Deny

6. Admit that the "United States" is defined as federal territory pursuant to [26 U.S.C. §7701\(a\)\(9\)](#) and (a)(10) and 4 U.S.C. §110(d).

[TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701.](#) [Internal Revenue Code]  
[Sec. 7701. - Definitions](#)

*(a)(9) United States*

*The term "United States" when used in a geographical sense includes only the [States](#) and the District of Columbia.*

*(a)(10) State*

*The term "State" shall be construed to include the District of Columbia, where such construction is necessary to carry out provisions of this title.*

---

TITLE 4 - FLAG AND SEAL, SEAT OF GOVERNMENT, AND THE STATES  
CHAPTER 4 - THE STATES



1            [Sec. 110. Same](#); definitions

2            (d) The term "State" includes any [Territory](#) or possession of the United States.

3            YOUR ANSWER (circle one): Admit/Deny

- 4        7. Admit that the [Uniform Commercial Code, Section 9-307\(h\)](#) identifies the "United States" as the "District of  
5        Columbia":

6            [UCC 9-307](#)

7            "(h) The United States is located in the District of Columbia."

8            [SOURCE: <http://www.law.cornell.edu/ucc/9/article9.htm#s9-307>]

9            YOUR ANSWER (circle one): Admit/Deny

- 10       8. Admit that under the rules of statutory construction, what is not included in a definition may be presumed to be  
11       purposefully excluded by implication.

12            "**Expressio unius est exclusio alterius.** A maxim of statutory interpretation meaning that **the expression of one**  
13            **thing is the exclusion of another.** *Burgin v. Forbes*, 293 Ky. 456, 169 S.W.2d 321, 325; *Newblock v. Bowles*,  
14            170 Okl. 487, 40 P.2d 1097, 1100. Mention of one thing implies exclusion of another. **When certain persons**  
15            **or things are specified in a law, contract, or will, an intention to exclude all others from its operation may be**  
16            **inferred.** Under this maxim, if statute specifies one exception to a general rule or assumes to specify the effects  
17            of a certain provision, other exceptions or effects are excluded."  
18            [Black's Law Dictionary, Sixth Edition, page 581]

19            "It is axiomatic that the statutory definition of the term excludes unstated meanings of that term,"  
20            [Meese v. Keene, 481 U.S. 465, 484 (1987)]

21            YOUR ANSWER (circle one): Admit/Deny

- 22       9. Admit that when a statutory definition is provided, it SUPERSEDES, rather than ENLARGES the commonly  
23       understood definition.

24            "**It is axiomatic that the statutory definition of the term excludes unstated meanings of that term.** *Colbutti v.*  
25            *Franklin*, 439 U.S. 379, 392, and n. 10 (1979). Congress' use of the term "propaganda" in this statute, as indeed  
26            in other legislation, has no pejorative connotation. **As judges, it is our duty to [481 U.S. 485] construe**  
27            **legislation as it is written, not as it might be read by a layman, or as it might be understood by someone who**  
28            **has not even read it.**"  
29            [Meese v. Keene, 481 U.S. 465, 484 (1987)]

30            "As a rule, **a definition which declares what a term "means" . . . excludes any meaning that is not stated"**  
31            [*Colausti v. Franklin*, 439 U.S. 379 (1979), n. 10]

32            "**When a statute includes an explicit definition, we must follow that definition, even if it varies from that**  
33            **term's ordinary meaning.** *Meese v. Keene*, 481 U.S. 465, 484-485 (1987) ("It is axiomatic that the statutory  
34            definition of the term excludes unstated meanings of that term"); *Colausti v. Franklin*, 439 U.S. at 392-393, n.  
35            10 ("As a rule, 'a definition which declares what a term "means" . . . excludes any meaning that is not stated'");  
36            *Western Union Telegraph Co. v. Lenroot*, 323 U.S. 490, 502 (1945); *Fox v. Standard Oil Co. of N.J.*, 294 U.S.  
37            87, 95-96 (1935) (*Cardozo, J.*); see also 2A N. Singer, *Sutherland on Statutes and Statutory Construction* §  
38            47.07, p. 152, and n. 10 (5th ed. 1992) (collecting cases). That is to say, the statute, read "as a whole," post at  
39            998 [530 U.S. 943] (*THOMAS, J.*, dissenting), leads the reader to a definition. That definition does not include  
40            the Attorney General's restriction -- "the child up to the head." Its words, "substantial portion," indicate the  
41            contrary."  
42            [*Stenberg v. Carhart*, 530 U.S. 914 (2000)]

43            YOUR ANSWER (circle one): Admit/Deny

- 44       10. Admit that under [4 U.S.C. §72](#), all those exercising a "public office" within the federal government must do so ONLY  
45       in the District of Columbia and NOT elsewhere.

TITLE 4 > CHAPTER 3 > § 72  
§ 72. Public offices; at seat of Government

All offices attached to the seat of government shall be exercised in the District of Columbia, and not elsewhere, except as otherwise expressly provided by law.

[[http://www4.law.cornell.edu/uscode/html/uscode04/usc\\_sec\\_04\\_00000072----000-.html](http://www4.law.cornell.edu/uscode/html/uscode04/usc_sec_04_00000072----000-.html)]

YOUR ANSWER (circle one): Admit/Deny

11. Admit that there is no provision of law extending “public offices” to any state of the Union as required by the above positive law statute.

YOUR ANSWER (circle one): Admit/Deny

12. Admit that [48 U.S.C. §1612](#)(a) extends the authority of the Secretary of the Treasury to enforce Title 26, Subchapter F to the Virgin Islands.

YOUR ANSWER (circle one): Admit/Deny

13. Admit that Congress has not “expressly” extended the authority of the Secretary of the Treasury to any one of the several states of the Union.

YOUR ANSWER (circle one): Admit/Deny

14. Admit that there is no statutory authority or [Treasury Order](#) which would “expressly” extend the authority of the Secretary outside the District of Columbia to the several Union states.

YOUR ANSWER (circle one): Admit/Deny

15. Admit that [26 U.S.C. §7621](#) authorizes the President of the United States to establish internal revenue districts.

TITLE 26 > Subtitle F > CHAPTER 78 > Subchapter B > § 7621  
§ 7621. Internal revenue districts

(a) Establishment and alteration

The President shall establish convenient internal revenue districts for the purpose of administering the internal revenue laws. The President may from time to time alter such districts.

(b) Boundaries

For the purpose mentioned in subsection (a), the President may subdivide any statutory but not constitutional State, or the District of Columbia, or may unite into one district two or more States.

YOUR ANSWER (circle one): Admit/Deny

16. Admit that the United States Constitution forbids the President of the United States to “join or divide” any state of the Union.

United States Constitution  
Article 4, Section 3, Clause 1

New States may be admitted by the Congress into this Union; but no new State shall be formed or erected within the Jurisdiction of any other State; nor any State be formed by the Junction of two or more States, or Parts of States, without the Consent of the Legislatures of the States concerned as well as of the Congress.

YOUR ANSWER (circle one): Admit/Deny

17. Admit that [26 U.S.C. §7621](#) authorizes the President of the United States to join or divide “States”:

**Nonresident Alien Position**

Copyright Sovereignty Education and Defense Ministry, <http://sedm.org>  
Form 05.020, Rev. 9-20-2009

315 of 327

EXHIBIT: \_\_\_\_\_

YOUR ANSWER (circle one): Admit/Deny

18. Admit that pursuant to [26 U.S.C. §7621](#), the President has not authorized any part of any state of the Union to be part of any internal revenue district.

YOUR ANSWER (circle one): Admit/Deny

19. Admit that the "State" referred to in [26 U.S.C. §7621](#) above is a federal "State" defined in 4 U.S.C. §110(d), which is a territory or possession of the United States and includes no part of any state of the Union:

[TITLE 4 > CHAPTER 4 > § 110](#)  
[§ 110. Same; definitions](#)

*As used in sections 105–109 of this title—*

*(d) The term "State" includes any Territory or possession of the United States.*

YOUR ANSWER (circle one): Admit/Deny

20. Admit that the states of the Union are not "territories" of the United States:

*Corpus Juris Secundum Legal Encyclopedia*  
*Territories*  
*"§1. Definitions, Nature, and Distinctions*

***"The word 'territory,' when used to designate a political organization has a distinctive, fixed, and legal meaning under the political institutions of the United States, and does not necessarily include all the territorial possessions of the United States, but may include only the portions thereof which are organized and exercise governmental functions under act of congress."***

*"While the term 'territory' is often loosely used, and has even been construed to include municipal subdivisions of a territory, and 'territories of the' United States is sometimes used to refer to the entire domain over which the United States exercises dominion, the word 'territory,' when used to designate a political organization, has a distinctive, fixed, and legal meaning under the political institutions of the United States, and the term 'territory' or 'territories' does not necessarily include only a portion or the portions thereof which are organized and exercise government functions under acts of congress. The term 'territories' has been defined to be political subdivisions of the outlying dominion of the United States, and in this sense the term 'territory' is not a description of a definite area of land but of a political unit governing and being governed as such. The question whether a particular subdivision or entity is a territory is not determined by the particular form of government with which it is, more or less temporarily, invested.*

**"Territories' or 'territory' as including 'state' or 'states." While the term 'territories of the' United States may, under certain circumstances, include the states of the Union, as used in the federal Constitution and in ordinary acts of congress "territory" does not include a foreign state.**

*"As used in this title, the term 'territories' generally refers to the political subdivisions created by congress, and not within the boundaries of any of the several states."*  
*[86 C.J.S. [Corpus, Juris, Secundum, Legal Encyclopedia], Territories, §1, Emphasis added]*

YOUR ANSWER (circle one): Admit/Deny

21. Admit that pursuant to [Executive Order 10289](#), the President has delegated to the Secretary of the Treasury the authority to establish internal revenue districts.

YOUR ANSWER (circle one): Admit/Deny

22. Admit that the Secretary of the Treasury has not established internal revenue districts which include any part of any state of the Union that is not federal territory or property.

YOUR ANSWER (circle one): Admit/Deny



1 23. Admit that the only remaining existing internal revenue district is the District of Columbia.

2 See: Treasury Order 150-02, SEDM Exhibit #04.014; <http://sedm.org/Exhibits/ExhibitIndex.htm>

3 YOUR ANSWER (circle one): Admit/Deny

4 24. Admit that pursuant to [26 U.S.C. §7601](#), the only place the IRS is authorized to search for taxable persons and property  
5 is within internal revenue districts created by the President.

6 YOUR ANSWER (circle one): Admit/Deny

7 25. Admit that the term “[State](#)” as used in the Constitution includes states of the Union and excludes territories and  
8 possessions of the United States.

9 *"The earliest case is that of Hepburn v. Ellzey, 2 Cranch, 445, 2 L. ed. 332, in which this court held that, under*  
10 *that clause of the Constitution limiting the jurisdiction of the courts of the United States to controversies*  
11 *between citizens of different states, a citizen of the District of Columbia could not maintain an action in the*  
12 *circuit court of the United States. It was argued that the word 'state,' in that connection, was used simply to*  
13 *denote a distinct political society. 'But,' said the Chief Justice, 'as the act of Congress obviously used the word*  
14 *'state' in reference to that term as used in the Constitution, it becomes necessary to inquire whether Columbia is*  
15 *a state in the sense of that instrument. The result of that examination is a conviction that the members of the*  
16 *American confederacy only are the states contemplated in the Constitution, . . . and excludes from the term*  
17 *the signification attached to it by writers on the law of nations.' This case was followed in Barney v.*  
18 *Baltimore, 6 Wall. 280, 18 L. ed. 825, and quite recently in Hooe v. Jamieson, 166 U.S. 395, 41 L. ed. 1049,*  
19 *17 Sup. Ct. Rep. 596. The same rule was applied to citizens of territories in New Orleans v. Winter, 1 Wheat.*  
20 *91, 4 L. ed. 44, in which an attempt was made to distinguish a territory from the District of Columbia. But it*  
21 *was said that 'neither of them is a state in the sense in which that term is used in the Constitution.' In Scott v.*  
22 *Jones, 5 How. 343, 12 L. ed. 181, and in Miners' Bank v. Iowa ex rel. District Prosecuting Attorney, 12 How. 1,*  
23 *13 L. ed. 867, it was held that under the judiciary act, permitting writs of error to the supreme court of a state*  
24 *in cases where the validity of a state statute is drawn in question, an act of a territorial legislature was not*  
25 *within the contemplation of Congress."*  
26 *[Downes v. Bidwell, [182 U.S. 244](#) (1901)]*

27 YOUR ANSWER (circle one): Admit/Deny

28 26. Admit that the term “[State](#)” as defined in [4 U.S.C. §110\(d\)](#) refers to a territory or possession of the United States  
29 pursuant to the Buck Act.

30 TITLE 4 - FLAG AND SEAL, SEAT OF GOVERNMENT, AND THE STATES  
31 CHAPTER 4 - THE STATES

32 [Sec. 110](#). Same; definitions

33 (d) The term "State" includes any [Territory](#) or possession of the United States.

34 YOUR ANSWER (circle one): Admit/Deny

35 27. Admit that the term “[State](#)” as used [4 U.S.C. §110\(d\)](#) is the “State” upon which state income taxes are levied pursuant  
36 to the Buck Act, 4 U.S.C. §§105-113.

37 YOUR ANSWER (circle one): Admit/Deny

38 28. Admit that states of the Union are foreign, for the purposes of federal legislative jurisdiction, for most federal subject  
39 matters.

40 *Foreign States: "Nations outside of the United States...Term may also refer to another state; i.e. a sister state.*  
41 *The term 'foreign nations', ...should be construed to mean all nations and states other than that in which the*  
42 *action is brought; and hence, one state of the Union is foreign to another, in that sense."*  
43 *[Black's Law Dictionary, 6<sup>th</sup> Edition, p. 648]*

44 *Foreign Laws: "The laws of a foreign country or sister state."*  
45 *[Black's Law Dictionary, 6<sup>th</sup> Edition, p. 647]*

**Dual citizenship.** Citizenship in two different **countries**. Status of citizens of United States who reside within a state; i.e., person who are born or naturalized in the U.S. are citizens of the U.S. and the state wherein they reside.  
[Black's Law Dictionary, Sixth Edition, page 498]

YOUR ANSWER (circle one): Admit/Deny

29. Admit that following are the only subject matters for which the states of the Union are “domestic” for the purposes of federal legislative jurisdiction, pursuant to the authority of the Constitution of the United States of America.
- Counterfeiting pursuant to Article 1, Section 8, Clause 5 of the United States Constitution.
  - Postal matters pursuant to Article 1, Section 8, Clause 7 of the United States Constitution.
  - Foreign commerce pursuant to Article 1, Section 8, Clause 3 of the United States Constitution.
  - Treason pursuant to Article 4, Section 2, Clause 2 of the United States Constitution.
  - Property, contracts, and franchises of the U.S. Government coming under [Article 4](#), Section 3, Clause 2 of the United States Constitution.
  - Jurisdiction over aliens (foreign nationals who are NOT state nationals).

YOUR ANSWER (circle one): Admit/Deny

30. Admit that what makes a human being a statutory “U.S. citizen” under [8 U.S.C. §1401](#) is a legal domicile on federal territory.

*“The writers upon the law of nations distinguish between a temporary residence in a foreign country for a special purpose and a residence accompanied with an intention to make it a permanent place of abode. The latter is styled by Vattel [in his book The Law of Nations as] “domicile,” which he defines to be “a habitation fixed in any place, with an intention of always staying there.” Such a person, says this author, becomes a member of the new society at least as a permanent inhabitant, and is a kind of citizen of the inferior order from the native citizens, but is, nevertheless, united and subject to the society, without participating in all its advantages. This right of domicile, he continues, is not established unless the person makes sufficiently known his intention of fixing there, either tacitly or by an express declaration. Vatt. [Law Nat.](#) pp. 92, 93. Grotius nowhere uses the word “domicile,” but he also distinguishes between those who stay in a foreign country by the necessity of their affairs, or from any other temporary cause, and those who reside there from a permanent cause. The former he denominates “strangers,” and the latter, “subjects.” The rule is thus laid down by Sir Robert Phillimore:*

*There is a class of persons which cannot be, strictly speaking, included in either of these denominations of naturalized or native citizens, namely, the class of those who have ceased to reside [maintain a domicile] in their native country, and have taken up a permanent abode in another. These are domiciled inhabitants. They have not put on a new citizenship through some formal mode enjoined by the law or the new country. They are de facto, though not de jure, citizens of the country of their [new chosen] domicile.*  
[Fong Yue Ting v. United States, [149 U.S. 698](#) (1893)]

YOUR ANSWER (circle one): Admit/Deny

31. Admit that there is no provision of currently enacted law, including “judge-made law” that “expressly extends” beyond the District of Columbia and the Virgin Islands: 1. Enforcement of the Internal Revenue Code by the IRS; 2. “Public offices” needed to conduct said enforcement.

YOUR ANSWER (circle one): Admit/Deny

32. Admit that because there is neither legislative authority to enforce the Internal Revenue Code in states of the Union, nor any Treasury order that establishes internal revenue districts within any state of the Union, that the states of the Union are “foreign” with respect to the jurisdiction of [Internal Revenue Code, Subtitle A](#).

YOUR ANSWER (circle one): Admit/Deny

33. Admit that according to the U.S. Supreme Court, the taxing powers of Congress do not extend into any state of the Union.

***“It is no longer open to question that the general government, unlike the states, [Hammer v. Dagenhart, 247](#)***

1 U.S. 251, 275 , 38 S.Ct. 529, 3 A.L.R. 649, Ann.Cas.1918E 724, possesses no inherent power in respect of the  
2 internal affairs of the states; and emphatically not with regard to legislation."  
3 [Carter v. Carter Coal Co., 298 U.S. 238, 56 S.Ct. 855 (1936)]  
4

5 "The difficulties arising out of our dual form of government and the opportunities for differing opinions  
6 concerning the relative rights of state and national governments are many; **but for a very long time this court**  
7 **has steadfastly adhered to the doctrine that the taxing power of Congress does not extend to the states or**  
8 **their political subdivisions.** The same basic reasoning which leads to that conclusion, we think, requires like  
9 limitation upon the power which springs from the bankruptcy clause. United States v. Butler, supra."  
10 [Ashton v. Cameron County Water Improvement District No. 1, 298 U.S. 513, 56 S.Ct. 892 (1936)]

11 YOUR ANSWER (circle one): Admit/Deny

12 34. Admit that the power to impose an income tax originates from the choice of legal domicile:

13 "Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in  
14 transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes. Since the  
15 Fourteenth Amendment makes one a citizen of the state wherein he resides, the fact of residence creates  
16 universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter  
17 obviously includes a duty to pay taxes, and their nature and measure is largely a political matter. Of course,  
18 the situs of property may tax it regardless of the citizenship, domicile, or residence of the owner, the most  
19 obvious illustration being a tax on realty laid by the state in which the realty is located."  
20 [Miller Brothers Co. v. Maryland, 347 U.S. 340 (1954)]

21 YOUR ANSWER (circle one): Admit/Deny

22 35. Admit that a "U.S. person" as defined in 26 U.S.C. §7701(a)(30) is a person with a legal domicile in the "United  
23 States".

24 TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701. [Internal Revenue Code]  
25 Sec. 7701. - Definitions  
26

27 (30) United States person

28 The term "United States person" means—

29 (A) a citizen or resident of the United States,

30 (B) a domestic partnership,

31 (C) a domestic corporation,

32 (D) any estate (other than a foreign estate, within the meaning of paragraph (31)), and

33 (E) any trust if—

34 (i) a court within the United States is able to exercise primary supervision over the administration of  
35 the trust, and

36 (ii) one or more United States persons have the authority to control all substantial decisions of the  
37 trust.

38 YOUR ANSWER (circle one): Admit/Deny

39 36. Admit that a person with a domicile within a state of the Union does not have a "domicile" within the statutory "United  
40 States\*\*" that is defined in 26 U.S.C. §7701(a)(9) and (a)(10) and 4 U.S.C. §110(d) as federal territory that is no part  
41 of any state of the Union and not expanded anywhere in the Internal Revenue Code, Subtitle A to add any state of the  
42 Union.

43 TITLE 26 > Subtitle F > CHAPTER 79 > Sec. 7701. [Internal Revenue Code]  
44 Sec. 7701. - Definitions

45 (a)(9) United States

46 The term "United States" when used in a geographical sense includes only the States and the District of  
47 Columbia.

48 (a)(10) State

49 The term "State" shall be construed to include the District of Columbia, where such construction is necessary to  
50 carry out provisions of this title.



YOUR ANSWER (circle one): Admit/Deny

37. Admit that what makes a human being a statutory “U.S. citizen” under [8 U.S.C. §1401](#) is a legal domicile on federal territory.

*“The writers upon the law of nations distinguish between a temporary residence in a foreign country for a special purpose and a residence accompanied with an intention to make it a permanent place of abode. The latter is styled by Vattel [in his book The Law of Nations as] “domicile,” which he defines to be “a habitation fixed in any place, with an intention of always staying there.” Such a person, says this author, becomes a member of the new society at least as a permanent inhabitant, and is a kind of citizen of the inferior order from the native citizens, but is, nevertheless, united and subject to the society, without participating in all its advantages. This right of domicile, he continues, is not established unless the person makes sufficiently known his intention of fixing there, either tacitly or by an express declaration. Vatt. *Law Nat.* pp. 92, 93. Grotius nowhere uses the word “domicile,” but he also distinguishes between those who stay in a foreign country by the necessity of their affairs, or from any other temporary cause, and those who reside there from a permanent cause. The former he denominates “strangers,” and the latter, “subjects.” The rule is thus laid down by Sir Robert Phillimore:*

*There is a class of persons which cannot be, strictly speaking, included in either of these denominations of naturalized or native citizens, namely, the class of those who have ceased to reside [maintain a domicile] in their native country, and have taken up a permanent abode in another. These are domiciled inhabitants. They have not put on a new citizenship through some formal mode enjoined by the law or the new country. They are de facto, though not de jure, citizens of the country of their [new chosen] domicile.* [Fong Yue Ting v. United States, [149 U.S. 698](#) (1893)]

YOUR ANSWER (circle one): Admit/Deny

38. Admit that pursuant to [26 U.S.C. §871](#), a nonresident alien who has no earnings from the “United States” earns no gross income:

Title 26: Internal Revenue  
[PART 1—INCOME TAXES](#)  
[nonresident alien individuals](#)  
[§ 1.872-2 Exclusions from gross income of nonresident alien individuals.](#)

(f) Other exclusions.

Income which is from sources without [outside] the United States [federal territory per see 26 U.S.C. §7701(a)(9) and (a)(10)], as determined under the provisions of sections 861 through 863, and the regulations thereunder, is not included in the gross income of a nonresident alien individual unless such income is effectively connected for the taxable year with the conduct of a trade or business in the United States by that individual. To determine specific exclusions in the case of other items which are from sources within the United States, see the applicable sections of the Code. For special rules under a tax convention for determining the sources of income and for excluding, from gross income, income from sources without the United States which is effectively connected with the conduct of a trade or business in the United States, see the applicable tax convention. For determining which income from sources without the United States is effectively connected with the conduct of a trade or business in the United States, see section 864(c)(4) and §1.864-5.

YOUR ANSWER (circle one): Admit/Deny

39. Admit that a constitutional “citizen of the United States” mentioned in the Fourteenth Amendment, Section 1 is not the same as a statutory “citizen of the United States” defined in [8 U.S.C. §1401](#).

Fourteenth Amendment

Section. 1. All persons born or naturalized in the United States and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside.

YOUR ANSWER (circle one): Admit/Deny

40. Admit that the reason a constitutional “citizen of the United States” mentioned in the Fourteenth Amendment, Section 1 is not the same as a statutory “citizen of the United States” defined in [8 U.S.C. §1401](#) is because the term “United States” has two completely different meanings in these two contexts.

Constitutional definition of "United States" according to the U.S. Supreme Court:

"The earliest case is that of *Hepburn v. Ellzey*, 2 Cranch, 445, 2 L.Ed. 332, in which this court held that, under that clause of the Constitution limiting the jurisdiction of the courts of the United States to controversies between citizens of different states, a citizen of the District of Columbia could not maintain an action in the circuit court of the United States. It was argued that the word 'state,' in that connection, was used simply to denote a distinct political society. 'But,' said the Chief Justice, 'as the act of Congress obviously used the word 'state' in reference to that term as used in the Constitution, it becomes necessary to inquire whether Columbia is a state in the sense of that instrument. The result of that examination is a conviction that the members of the American confederacy only are the states contemplated in the Constitution, . . . and excludes from the term the signification attached to it by writers on the law of nations.' This case was followed in *Barney v. Baltimore*, 6 Wall. 280, 18 L. ed. 825, and quite recently in *Hooe v. Jamieson*, 166 U.S. 395, 41 L. ed. 1049, 17 Sup. Ct. Rep. 596. The same rule was applied to citizens of territories in *New Orleans v. Winter*, 1 Wheat. 91, 4 L. ed. 44, in which an attempt was made to distinguish a territory from the District of Columbia. But it was said that 'neither of them is a state in the sense in which that term is used in the Constitution.' In *Scott v. Jones*, 5 How. 343, 12 L. ed. 181, and in *Miners' Bank v. Iowa ex rel. District Prosecuting Attorney*, 12 How. 1, 13 L. ed. 867, it was held that under the judiciary act, permitting writs of error to the supreme court of a state in cases where the validity of a state statute is drawn in question, an act of a territorial legislature was not within the contemplation of Congress."

[*Downes v. Bidwell*, 182 U.S. 244 (1901)]

Statutory definition of "United States" for the purposes of statutory citizenship

[8 U.S.C. §1101 Definitions](#)  
[TITLE 8 > CHAPTER 12 > SUBCHAPTER I](#) > Sec. 1101. [Aliens and Nationality]  
[Sec. 1101. - Definitions](#)

(a)(38) The term "United States", except as otherwise specifically herein provided, when used in a geographical sense, means the [federal areas within the] [continental United States](#), Alaska, Hawaii, Puerto Rico, Guam, and the Virgin Islands of the United States.

---

[Code of Federal Regulations]  
[Title 8, Volume 1]  
[Revised as of January 1, 2002]  
From the U.S. Government Printing Office via GPO Access  
[CITE: 8CFR215]  
TITLE 8--ALIENS AND NATIONALITY CHAPTER I--IMMIGRATION AND NATURALIZATION SERVICE,  
DEPARTMENT OF JUSTICE  
PART 215--CONTROLS OF ALIENS DEPARTING FROM THE UNITED STATES  
[Section 215.1: Definitions](#)

(f) The term [continental United States](#) means the District of Columbia and the several [States](#), except Alaska and Hawaii.

---

[8 U.S.C. Sec. 1101\(a\)\(36\)](#): State [Aliens and Nationality]

The term "State" includes the District of Columbia, Puerto Rico, Guam, and the Virgin Islands of the United States.

YOUR ANSWER (circle one): Admit/Deny

41. Admit that the differences in meaning of the term "United States" in the two contexts:

1. The Constitution;
2. Acts of Congress,

. . . is a direct result of the operation of the Separation of Powers Doctrine which was carefully and deliberately put there for the protection of our rights and liberties.

The Constitution does not protect the sovereignty of States for the benefit of the States or state governments as abstract political entities, or even for the benefit of the public officials governing the States. To the contrary, the Constitution divides authority between federal and state governments for the protection of individuals. State sovereignty is not just an end in itself: "Rather, federalism secures to citizens the liberties that derive

1 from the diffusion of sovereign power." Coleman v. Thompson, 501 U.S. 722, 759 (1991) (BLACKMUN, J.,  
2 dissenting). "Just as the separation and independence of the coordinate branches of the Federal Government  
3 serve to prevent the accumulation of excessive power in any one branch, a healthy balance of power between  
4 the States and the Federal Government will reduce the risk of tyranny and abuse from either front." Gregory  
5 v. [505 U.S. 144, 182] Ashcroft, 501 U.S., at 458 . See The Federalist No. 51, p. 323. (C. Rossiter ed.  
6 1961).  
7 [New York v. United States, 505 U.S. 144, 112 S.Ct. 2408, 120 L.Ed.2d 120 (1992)]

8 YOUR ANSWER (circle one): Admit/Deny

- 9 42. Admit that a public servant or a member of the legal profession, who swears an oath to support and defend the  
10 Constitution of the United States cannot fail to recognize or respect all of the implications of the Separation of Powers  
11 Doctrine without violating that oath.

12 "I, \_\_\_\_\_, do solemnly swear and affirm that I will administer justice without regard to persons and do equal  
13 right to the poor and to the rich, and that I will faithfully and impartially discharge and perform all of the duties  
14 incumbent upon me as \_\_\_\_\_ under the Constitution and laws of the United States, and that I will  
15 support and defend the Constitution of the United States against all enemies foreign and domestic, that I will  
16 bear true faith and allegiance to the same, and that I take this obligation freely without any mental reservation  
17 or purpose of evasion, and that I will well and faithfully discharge the duties of the office on which I am about  
18 to enter. So help me God."  
19 [Oath of Article III federal judges, according to the Administrative Office of the Federal Courts]

20 YOUR ANSWER (circle one): Admit/Deny

- 21 43. Admit that all exercises of legislative jurisdiction outside of federal territory require "comity" in some form.

22 comity. Courtesy; complaisance; respect; a willingness to grant a privilege, not as a matter of right, but out of  
23 deference and good will. Recognition that one sovereignty allows within its territory to the legislative,  
24 executive, or judicial act of another sovereignty, having due regard to rights of its own citizens. Nowell v.  
25 Nowell, Tex.Civ.App., 408 S.W.2d 550, 553. In general, principle of "comity" is that courts of one state or  
26 jurisdiction will give effect to laws and judicial decisions of another state or jurisdiction, not as a matter of  
27 obligation, but out of deference and mutual respect. Brown v. Babbitt Ford, Inc., 117 Ariz. 192, 571 P.2d 689,  
28 695. See also Full faith and credit clause.  
29 [Black's Law Dictionary, Sixth Edition, p. 267]

30 YOUR ANSWER (circle one): Admit/Deny

- 31 44. Admit that states of the Union levy their personal income taxes based upon the Buck Act, 4 U.S.C. §§105-111.

32 YOUR ANSWER (circle one): Admit/Deny

- 33 45. Admit that Subtitle A of the Internal Revenue Code is a tax primarily upon a "trade or business", which is defined in  
34 26 U.S.C. §7701(a)(26) as "the functions of a public office", and that the "public office" is within the federal  
35 government and not the state government.

36 26 U.S.C. Sec. 7701(a)(26)

37 "The term 'trade or business' includes the performance of the functions of a public office."

38 See also and rebut:

|   |
|---|
| The "Trade or Business" Scam, Form #05.001<br><a href="http://sedm.org/Forms/FormIndex.htm">http://sedm.org/Forms/FormIndex.htm</a> |
|---|

39 YOUR ANSWER (circle one): Admit/Deny

- 40 46. Admit that state income taxes are also based upon a "trade or business", because they are a tax upon "public officers"  
41 serving within the Corporate State pursuant to the Public Salary Tax Act of 1939.

42 YOUR ANSWER (circle one): Admit/Deny



1 47. Admit that the United States Congress cannot authorize a “trade or business” within a “Republic State” in order to tax  
2 it.

3 “Thus, Congress having power to regulate commerce with foreign nations, and among the several States, and  
4 with the Indian tribes, may, without doubt, provide for **granting** coasting **licenses**, licenses to pilots, licenses to  
5 trade with the Indians, and any other **licenses** necessary or proper for the exercise of that great and extensive  
6 power; and the same observation is applicable to every other power of Congress, to the exercise of which the  
7 granting of licenses may be incident. All such licenses confer authority, and give rights to the licensee.

8 But very different considerations apply to the **internal commerce** or **domestic trade** of the **States**. Over this  
9 commerce and trade Congress has **no power of regulation nor any direct control**. This power belongs  
10 **exclusively** to the States. **No interference by Congress with the business of citizens transacted within a State is**  
11 **warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to**  
12 **the legislature**. The power to authorize a business within a State is plainly repugnant to the exclusive power of  
13 the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given  
14 in the Constitution, with only one exception and only two qualifications. Congress cannot tax exports, and it  
15 must impose direct taxes by the rule of apportionment, and indirect taxes by the rule of uniformity. Thus limited,  
16 and thus only, it reaches every subject, and may be exercised at discretion. But, it reaches only existing  
17 subjects. Congress cannot authorize a trade or business within a State in order to tax it.”  
18 [*License Tax Cases*, 72 U.S. 462, 18 L.Ed. 497, 5 Wall. 462, 2 A.F.T.R. 2224 (1866)]

19 YOUR ANSWER (circle one): Admit/Deny

20 48. Admit that [4 U.S.C. §72](#) requires all “public offices” which are the subject of the income tax upon a “trade or business”  
21 to exist and be lawfully exercised ONLY in the District of Columbia and not elsewhere, except as expressly provided  
22 by an enactment of Congress.

23 [TITLE 4 > CHAPTER 3 > § 72](#)  
24 [§ 72. Public offices; at seat of Government](#)

25 *All offices attached to the seat of government shall be exercised in the District of Columbia, and not elsewhere,*  
26 *except as otherwise expressly provided by law.*

27 YOUR ANSWER (circle one): Admit/Deny

28 49. Admit that the federal government never enacted any law that authorizes “public offices” within the “Republic State”  
29 of any state of the Union and can lawfully legislatively create said offices ONLY within the “Corporate State”, a  
30 territory or possession of the United States, or the District of Columbia.

31 YOUR ANSWER (circle one): Admit/Deny

32 50. Admit that the federal government, through “comity”, passed [4 U.S.C. §111](#), authorizing “Corporate States” but not  
33 “Republic States” to levy an income tax upon federal “public officers” within federal areas that form the “Corporate  
34 State”.

35 [TITLE 4 > CHAPTER 4 > § 111](#)  
36 [§ 111. Same; taxation affecting Federal employees; income tax](#)

37 *(a) General Rule.— The United States consents to the taxation of pay or compensation for personal service as*  
38 *an officer or employee of the United States, a territory or possession or political subdivision thereof, the*  
39 *government of the District of Columbia, or an agency or instrumentality of one or more of the foregoing, by a*  
40 *duly constituted taxing authority having jurisdiction, if the taxation does not discriminate against the officer or*  
41 *employee because of the source of the pay or compensation.*

42 YOUR ANSWER (circle one): Admit/Deny

43 51. Admit that [4 U.S.C. §111](#) is a portion of the statutory implementation of the Public Salary Tax Act of 1939, which is a  
44 tax upon “public salaries”.

45 YOUR ANSWER (circle one): Admit/Deny

46 52. Admit that [4 U.S.C. §111](#) does not authorize either a state or federal income tax upon “private salaries” or anything

OTHER than salaries of “public officers” engaged in a “trade or business”.

YOUR ANSWER (circle one): Admit/Deny

53. Admit that [4 U.S.C. §111](#) does *not* authorize either a state or federal income tax upon those domiciled within the Republic State who do not hold “public office” in the federal government and who receive no payments from the United States government pursuant to [26 U.S.C. §871](#).

YOUR ANSWER (circle one): Admit/Deny

54. Admit that the “individual” mentioned at the top of IRS Form 1040 is an “alien” or “nonresident alien”:

*26 CFR §1.1441-1 Requirement for the deduction and withholding of tax on payments to foreign persons.*

*(c ) Definitions*

*(3) Individual.*

*(i) Alien individual.*

*The term alien individual means an individual who is not a citizen or a national of the United States. See Sec. 1.1-1(c).*

*(ii) Nonresident alien individual.*

*The term nonresident alien individual means a person described in section 7701(b)(1)(B), an alien individual who is a resident of a foreign country under the residence article of an income tax treaty and Sec. 301.7701(b)-7(a)(1) of this chapter, or an alien individual who is a resident of Puerto Rico, Guam, the Commonwealth of Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa as determined under Sec. 301.7701(b)-1(d) of this chapter. An alien individual who has made an election under section 6013 (g) or (h) to be treated as a resident of the United States is nevertheless treated as a nonresident alien individual for purposes of withholding under chapter 3 of the Code and the regulations thereunder.*

YOUR ANSWER (circle one): Admit/Deny

55. Admit that persons domiciled within the “Republic State” and without the “Corporate State” are an instrumentality of a “foreign state”, which is the Republic State if they are registered electors or jurists, because they participate in the administration of the government in the exercise of their political rights to be a voter or jurist.

YOUR ANSWER (circle one): Admit/Deny

56. Admit that persons domiciled within the “Republic State” and without the “Corporate State” are protected by the [Foreign Sovereign Immunities Act, 28 U.S.C. Chapter 97](#)

YOUR ANSWER (circle one): Admit/Deny

57. Admit that persons domiciled within the “Republic State” may only lawfully surrender their sovereign immunity as “instrumentalities of a foreign state” by one of the following two means:

a. Incorrectly declaring themselves to be statutory “U.S. citizens” pursuant to [8 U.S.C. §1401](#) and [28 U.S.C. §1603\(b\)\(3\)](#).

b. Satisfying one or more of the exceptions found in [28 U.S.C. §1605](#)

YOUR ANSWER (circle one): Admit/Deny

58. Admit that states who wish to increase their income tax revenues unlawfully have a strong financial incentive to want to encourage domiciliaries of the Republic State to incorrectly declare or describe themselves to be statutory “U.S. citizens” pursuant to [8 U.S.C. §1401](#) in order to cause them to waive sovereign immunity and thereby misrepresent themselves as domiciliaries of the Corporate State subject to exclusive federal jurisdiction and income taxation.

YOUR ANSWER (circle one): Admit/Deny

59. Admit that the only lawful way for a nonresident person such as a person domiciled in the exclusive jurisdiction of a state of the Union, to become a “resident alien” as defined in [26 U.S.C. §7701\(b\)\(1\)\(A\)](#) is to make an “election” pursuant to [26 U.S.C. §6013\(g\)](#) to be treated as such by voluntarily using the WRONG from, the IRS 1040 form, to describe his, her, or its status as a “U.S. person” as defined in [26 U.S.C. §7701\(a\)\(30\)](#) or domiciliary of the federal zone.

1040A 11327A Each  
U.S. Individual Income Tax Return

Annual income tax return filed by citizens and residents of the United States. There are separate instructions available for this item. The catalog number for the instructions is 12088U.

W:CAR:MP:FP:F:I Tax Form or Instructions

[2003 IRS Published Products Catalog, p. F-15;  
SOURCE: <http://famguardian.org/TaxFreedom/Forms/IRS/IRSDoc7130.pdf>]

YOUR ANSWER (circle one): Admit/Deny

60. Admit that IRS Form W-4 constitutes an agreement to call one’s earnings taxable “wages”, even if they in fact earn no taxable “wages” as legally defined in 26 U.S.C. §3401.

Title 26: Internal Revenue  
[PART 31—EMPLOYMENT TAXES AND COLLECTION OF INCOME TAX AT SOURCE](#)  
[Subpart E—Collection of Income Tax at Source](#)  
[Sec. 31.3402\(p\)-1 Voluntary withholding agreements.](#)

(a) In general.

An employee and his employer may enter into an agreement under section 3402(b) to provide for the withholding of income tax upon payments of amounts described in paragraph (b)(1) of §31.3401(a)–3, made after December 31, 1970. **An agreement may be entered into under this section only with respect to amounts which are includible in the gross income of the employee under section 61, and must be applicable to all such amounts paid by the employer to the employee.** The amount to be withheld pursuant to an agreement under section 3402(p) shall be determined under the rules contained in section 3402 and the regulations thereunder. See §31.3405(c)–1, Q&A–3 concerning agreements to have more than 20-percent Federal income tax withheld from eligible rollover distributions within the meaning of section 402.

(b) Form and duration of agreement

(2) An agreement under section 3402 (p) shall be effective for such period as the employer and employee mutually agree upon. **However, either the employer or the employee may terminate the agreement prior to the end of such period by furnishing a signed written notice to the other.** Unless the employer and employee agree to an earlier termination date, the notice shall be effective with respect to the first payment of an amount in respect of which the agreement is in effect which is made on or after the first “status determination date” (January 1, May 1, July 1, and October 1 of each year) that occurs at least 30 days after the date on which the notice is furnished. If the employee executes a new Form W-4, the request upon which an agreement under section 3402 (p) is based shall be attached to, and constitute a part of, such new Form W-4.

[26 CFR §31.3401\(a\)-3 Amounts deemed wages under voluntary withholding agreements](#)

(a) In general.

**Notwithstanding the exceptions to the definition of wages specified in section 3401(a) and the regulations thereunder, the term “wages” includes the amounts described in paragraph (b)(1) of this section with respect to which there is a voluntary withholding agreement in effect under section 3402(p).** References in this chapter to the definition of wages contained in section 3401(a) shall be deemed to refer also to this section (§31.3401(a)–3).

(b) Remuneration for services.



(1) Except as provided in subparagraph (2) of this paragraph, the amounts referred to in paragraph (a) of this section include any remuneration for services performed by an employee for an employer which, without regard to this section, does not constitute wages under section 3401(a). For example, remuneration for services performed by an agricultural worker or a domestic worker in a private home (amounts which are specifically excluded from the definition of wages by section 3401(a) (2) and (3), respectively) are amounts with respect to which a voluntary withholding agreement may be entered into under section 3402(p). See §§31.3401(c)-1 and 31.3401(d)-1 for the definitions of "employee" and "employer".

YOUR ANSWER (circle one): Admit/Deny

61. Admit that IRS Form W-4, when submitted by a "nonresident alien", also constitutes a voluntary "election" to be treated as a "resident alien" pursuant to [26 U.S.C. §6013\(g\)\(1\)\(B\)](#).

[TITLE 26 > Subtitle F > CHAPTER 61 > Subchapter A > PART II > Subpart B > § 6013](#)  
[§ 6013. Joint returns of income tax by husband and wife](#)

(g) Election to treat nonresident alien individual as resident of the United States

(1) In general

A nonresident alien individual with respect to whom this subsection is in effect for the taxable year shall be treated as a resident of the United States—

(A) for purposes of chapter 1 for all of such taxable year, and

(B) for purposes of chapter 24 (relating to wage withholding) for payments of wages made during such taxable year

YOUR ANSWER (circle one): Admit/Deny

62. Admit that the election of "nonresident aliens" as defined in 26 U.S.C. §7701(b)(1)(B) to be treated as "resident aliens" as described in [26 U.S.C. §6013\(g\)\(1\)\(B\)](#) may only lawfully be made if the nonresident alien is married to a statutory United States citizen as defined in [8 U.S.C. §1401](#).

YOUR ANSWER (circle one): Admit/Deny

63. Admit that there is no statutory authority within the Internal Revenue Code or the implementing Treasury Regulations for a "nonresident alien" who is not married to a statutory "U.S. citizen" in [8 U.S.C. §1401](#) to voluntarily elect to be treated as a "resident alien".

YOUR ANSWER (circle one): Admit/Deny

64. Admit that the election of "nonresident aliens" to be treated as resident aliens as described in [26 U.S.C. §6013\(g\)](#) changes the effective domicile of the nonresident alien to the "State" described in 4 U.S.C. §110(d), which is a federal state or territory, regardless of where their original domicile started and makes them a "taxpayer" subject to the Internal Revenue Code.

*"Thus, the Court has frequently held that domicile or residence, more substantial than mere presence in transit or sojourn, is an adequate basis for taxation, including income, property, and death taxes. Since the Fourteenth Amendment makes one a citizen of the state wherein he resides, the fact of residence creates universally reciprocal duties of protection by the state and of allegiance and support by the citizen. The latter obviously includes a duty to pay taxes, and their nature and measure is largely a political matter. Of course, the situs of property may tax it regardless of the citizenship, domicile, or residence of the owner, the most obvious illustration being a tax on realty laid by the state in which the realty is located."*  
[Miller Brothers Co. v. Maryland, [347 U.S. 340](#) (1954)]

YOUR ANSWER (circle one): Admit/Deny

65. Admit that it is unlawful for any state of the Union to enforce their personal income tax laws outside of the Corporate State or inside of the Republic State.

"Every State or nation possesses an exclusive sovereignty and jurisdiction within her own territory, and her

laws affect and bind all property and persons residing within it. It may regulate the manner and circumstances under which property is held, and the condition, capacity, and state of all persons therein, and also the remedy and modes of administering justice. And it is equally true that no State or nation can affect or bind property out of its territory, or persons not residing [domiciled] within it. No State therefore can enact laws to operate beyond its own dominions, and if it attempts to do so, it may be lawfully refused obedience. Such laws can have no inherent authority extraterritorially. This is the necessary result of the independence of distinct and separate sovereignties."

"Now it follows from these principles that whatever force or effect the laws of one State or nation may have in the territories of another must depend solely upon the laws and municipal regulations of the latter, upon its own jurisprudence and polity, and upon its own express or tacit consent."  
[Dred Scott v. John F.A. Sanford, [60 U.S. 393](#) (1856)]

"Judge Story, in his treatise on the Conflicts of Laws, lays down, as the basis upon which all reasonings on the law of comity must necessarily rest, the following maxims: First 'that every nation possesses an exclusive sovereignty and jurisdiction within its own territory'; secondly, 'that no state or nation can by its laws directly affect or bind property out of its own territory, or bind persons not resident therein, whether they are natural born subjects or others.' The learned judge then adds: 'From these two maxims or propositions there follows a third, and that is that whatever force and obligation the laws of one country have in another depend solely upon the laws and municipal regulation of the latter; that is to say, upon its own proper jurisdiction and polity, and upon its own express or tacit consent.'" Story on Conflict of Laws §23."  
[Baltimore & Ohio Railroad Co. v. Chambers, 73 Ohio St. 16, 76 N.E. 91, 11 L.R.A., N.S., 1012 (1905)]

YOUR ANSWER (circle one): Admit/Deny

66. Admit that the enforcement of the laws of the Corporate State within the Republic State is a matter of "comity" and requires the express or tacit consent against those it is being enforced against, and that absent such voluntary consent, any such enforcement is illegal and unconstitutional.

YOUR ANSWER (circle one): Admit/Deny

### **Affirmation:**

I declare under penalty of perjury as required under [26 U.S.C. §6065](#) that the answers provided by me to the foregoing questions are true, correct, and complete to the best of my knowledge and ability, so help me God. I also declare that these answers are completely consistent with each other and with my understanding of both the Constitution of the United States, Internal Revenue Code, Treasury Regulations, the Internal Revenue Manual, and the rulings of the Supreme Court but not necessarily lower federal courts.

Name (print): \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Witness name (print): \_\_\_\_\_

Witness Signature: \_\_\_\_\_

Witness Date: \_\_\_\_\_